FORM 3

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

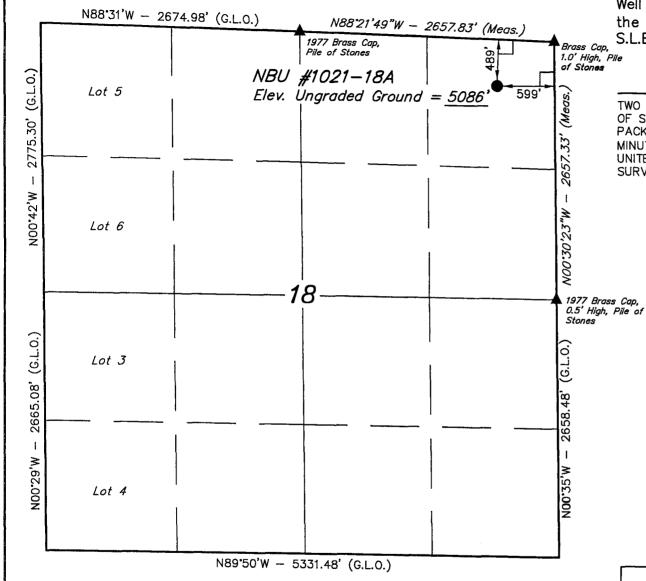
AMENDED REPORT	
(highlight changes)	

		APPLICA	ATION FOR	PERMIT T	O DRILL		5. MINERAL LEASE NO: UTU-02270-A	6. SURFACE: State	
1A. TYPE OF WO	E OF WORK: DRILL Z REENTER DEEPEN								
B. TYPE OF WE	ll: OIL 🗌	GAS 🗸	OTHER	SI	NGLE ZONE MULTIPLE ZON	NE 🚺	8. UNIT OF CA AGREEMENT		
2. NAME OF OPE							9. WELL NAME and NUMBE		
WESTPORT OIL & GAS COMPANY, L.P. NBU 1021-18A									
3. ADDRESS OF OPERATOR: 1368 S 1200 E OUT VERNAL STATE UT ZIP 84078 PHONE NUMBER: (435) 781-7060 NATURAL BUTTES									
4. LOCATION OF	,	,	620712	X	39,953709	1	11. QTR/QTR, SECTION, TO MERIDIAN:	WNSHIP, RANGE,	
	489' FNL S		44233	654	109. 58 6863		NENE 18 10	S 21E	
14. DISTANCE IN	MILES AND DIRE	ECTION FROM N	EAREST TOWN OR F	OST OFFICE:			12. COUNTY:	13. STATE:	
14.5 MILE	ES SOUTH	EAST OF	OURAY, UTA	,H			UINTAH	UTAH	
15. DISTANCE TO	NEAREST PRO	PERTY OR LEAS	E LINE (FEET)	16. NUMBER	OF ACRES IN LEASE:	17. NU	JMBER OF ACRES ASSIGNED		
489'		· · · · · · · · · · · · · · · · · · ·			2167.03	<u> </u>		40	
18. DISTANCE TO APPLIED FOR	O NEAREST WELI R) ON THIS LEAS!		MPLETED, OR	19. PROPOS		1	OND DESCRIPTION:		
REFER TO	O TOPO C	ED DE DT CD E	TC V	22 ADDDOXI	9,700 MATE DATE WORK WILL START:		B0005238		
5085.5' G	•	EN DF, RT, GN, E	£10.j.	22. ATTOM	VIATE DATE WORK WIFE STAIKT.		BE DETERMINE)	
24.			PROPO	SED CASING	AND CEMENTING PROGRAM				
SIZE OF HOLE	CASING SIZE,	GRADE, AND W	EIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QU	IANTITY,	YIELD, AND SLURRY WEIGH	Т	
14"				40					
12 1/4"	9 5/8"	32.3#	H-40, STC	2,100	PREM CMT	26	55 SX 1.18	8 15.6	
7 7/8"	4 1/2"	11.6#	I-80, LTC	9,700	PREM LITE II	46	60 SX 3.3	8 11	
		- <u>-</u>		·	50/50 POZ G	153	0 SX 1.3	1 14.3	
				·					
25.				ATT	ACHMENTS				
VERIFY THE FOL	LOWING AREAT	TACHED IN ACC	ORDANCEWITH THE	UTAH OIL AND GAS	CONSERVATION GENERAL RULES:				
WELL PL	AT OR MAP PREF	PARED BY LICEN	ISED SURVEYOR OR	ENGINEER	COMPLETE DRILLING PLAN				
✓ EVIDENC	E OF DIVISION C	F WATER RIGHT	TS APPROVAL FOR U	ISE OF WATER	FORM 5, IF OPERATOR IS PE	ERSON O	R COMPANY OTHER THAN T	HE LEASE OWNER	
									
NAME (PLEASE I	PRINT) DEBR	A DOMEN	IICI		TITLE ASSOC. ENV	IRON	MENTAL ANALYS	<u>T</u>	
SIGNATURE	Delia	Dom	enon		DATE 11/21/2005				
(This space for Star	te use only)	<u></u>							
API NUMBER ASS	signed: 4	3-047	37431	E I			CEIVED		
				Date	OINA-RAIL	NU	4 20 Fees		

(11/2001)

Federal Approval of this Action is Necessary OIL, GAS & MINING

T10S, R21E, S.L.B.&M.



BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

LEGEND:

__ = 90' SYMBOL

= PROPOSED WELL HEAD.

= SECTION CORNERS LOCATED.

LATITUDE = 39°57'13.35" (39.953708) LONGITUDE = 109°35'15.22" (109.587561)

(NAD 27) LATITUDE = 39°57'13.48" (39.953744)

(NAD 83)

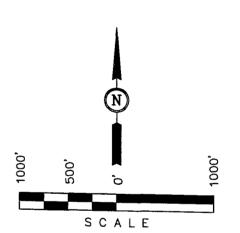
LONGITUDE = 109'35'12.74" (109.586872)

WESTPORT OIL AND GAS COMPANY, L.P.

Well location, NBU #1021-18A, located as shown in the NE 1/4 NE 1/4 of Section 18, T10S, R21E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET.



CERTIFICAMENTAL

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS REPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELLET TO THE BELLET THE BELLET TO T

REGISTERED LAND SURVEYOR REGISTRATION NO. 161319

UINTAH ENGINEERING & LAND SURVEYING 85 SOUTH 200 EAST - VERNAL, UTAH 84078 (435) 789-1017

1" = 1000'		DATE SURVEYED: 10-17-05	DATE DRAWN: 10-27-05
PARTY D.K. B.B.	K.G.	REFERENCES G.L.O. PLA	Т
WEATHER COOL		FILE WESTP	ORT OIL AND OMPANY, L.P.

NBU 1021-18A NENE SEC 18-T10S-R21E UINTAH COUNTY, UTAH UTU-02270-A

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. <u>Estimated Tops of Important Geologic Markers:</u>

<u>Formation</u>	<u>Depth</u>
Uinta	0- Surface
Green River	1500'
Wasatch	4725'
Mesaverde	7500'
TD	9700'

2. Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:

Substance	<u>Formation</u>	Depth
	Green River	1500'
Gas	Wasatch	4725'
Gas	Mesaverde	7500'
Water	N/A	
Other Minerals	N/A	

3. Pressure Control Equipment (Schematic Attached)

Please refer to the attached Drilling Program.

4. Proposed Casing & Cementing Program:

Please refer to the attached Drilling Program.

5. Drilling Fluids Program:

Please refer to the attached Drilling Program.

6. Evaluation Program:

Please refer to the attached Drilling Program.

7. **Abnormal Conditions**:

Maximum anticipated bottomhole pressure calculated at 9700' TD, approximately equals 6014 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3880 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. Anticipated Starting Dates:

Drilling is planned to commence immediately upon approval of this application.

9. <u>Variances:</u>

Please refer to the attached Drilling Program.

10. Other Information:

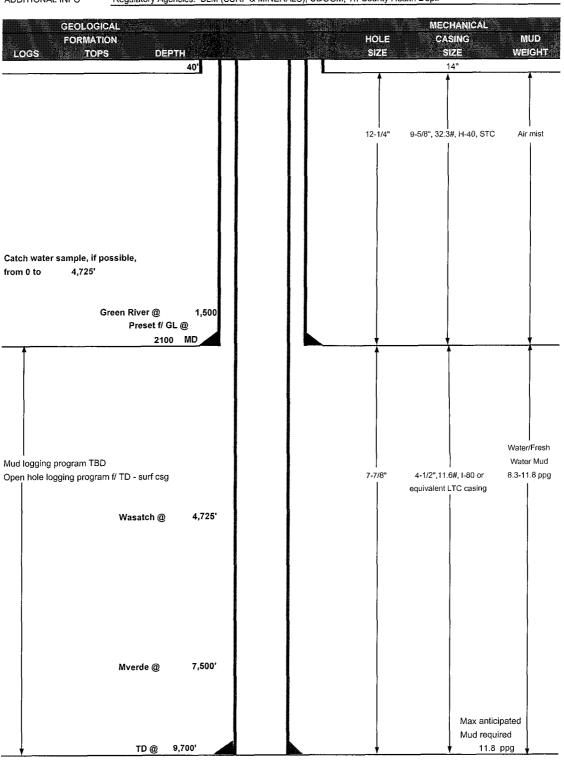
Please refer to the attached Drilling Program.





Westport Oil and Gas Company, L.P. **DRILLING PROGRAM**

COMPANY NAME Westport Oil and Gas Co., L.P. November 15, 2005 **NBU 1021-18A** 9,700' MD/TVD WELL NAME TD ELEVATION 5,086' GL KB 5,101' FIELD Natural Buttes COUNTY Uintah STATE Utah SURFACE LOCATION NENE SECTION 18-T10S-R21E 489'FNL & 599'FEL BHL Straight Hole Latitude: 39.953708 Longitude: 109.587561 OBJECTIVE ZONE(S) Wasatch/Mesaverde Regulatory Agencies: BLM (SURF & MINERALS), UDOGM, Tri-County Health Dept. ADDITIONAL INFO









Westport Oil and Gas Company, L.P. DRILLING PROGRAM

CASING PROGRAM

								Ī	ESIGN FACTO	ORS
	SIZE	IN	TERV	AL.	WT.	GR.	CPLG.	BURST	COLLAPSE	TENSION
CONDUCTOR	14"		0-40'							
								2270	1370	254000
SURFACE	9-5/8"	0	to	2100	32.30	H-40	STC	0.59******	1.39	4.28
								7780	6350	201000
PRODUCTION	4-1/2"	0	to	9700	11.60	1-80	LTC	2.04	1.07	2.05
							·			

- 1) Max Anticipated Surf. Press.(MASP) (Surface Casing) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point)
- 2) MASP (Prod Casing) = Pore Pressure at TD (.22 psi/ft-partial evac gradient x TD)

(Burst Assumptions: TD =

11.8 ppg)

.22 psi/ft = gradient for partially evac wellbore

(Collapse Assumption: Fully Evacuated Casing, Max MW)

(Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)

MASP

3818 psi

Burst SF is low but csg is much stronger than formation at 2000'. EMW @ 2000' for 2270# is 21.8 ppg or 1.13 psi/ft

CEMENT PROGRAM

				e to a construction and a second	Andrew C. Marie Annie 1888	Maria de la companya	
		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE	LEAD	500	Premium cmt + 2% CaCl	215	60%	15.60	1.18
Option 1			+ .25 pps flocele		:		
•	TOP OUT CMT (1)	200	20 gals sodium silicate + Premium cmt	50		15.60	1.18
			+ 2% CaCl + .25 pps flocele				
	TOP OUT CMT (2)	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
SURFACE			NOTE: If well will circulate water to s	urface, op	ion 2 will b	e utilized	
Option 2	LEAD	1500	Prem cmt + 16% Gel + 10 pps gilsonite	170	35%	11.00	3.82
•			+.25 pps Flocele + 3% salt BWOC				
TAIL 500			Premium cmt + 2% CaCl	180	35%	15.60	1.18
			+ .25 pps flocele				
TOP OUT CMT as requir			Premium cmt + 2% CaCl	as req.		15.60	1.18
		·					
PRODUCTIO	N LEAD	4,220'	Premium Lite II + 3% KCI + 0.25 pps	460	60%	11.00	3.38
			celloflake + 5 pps gilsonite + 10% gel				
		ı	+ 0.5% extender				}
		· ·					
TAIL		5,480'	50/50 Poz/G + 10% salt + 2% gel	1530	60%	14.30	1.31
			+.1% R-3				

^{*}Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained

FLOAT EQUIPMENT & CENTRALIZERS

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe.
PRODUCTION	Float shoe, 1 jt, float collar. Centralize first 3 joints & every third joint to top of tail cement with bow spring centralizers.

ADDITIONAL INFORMATION

r installing. Test surface casing to 1,500 psi prior to drilling out.	
	rt recorder &
on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equi	pped with upper
. Maximum allowable hole angle is 5 degrees.	
mud monitoring. If no PVT is available, visual monitoring will be utililzed.	
DATE:	
0	er installing. Test surface casing to 1,500 psi prior to drilling out. ar and 2 rams. Test to 5,000 psi (annular to 2,500 psi) prior to drilling out. Record on cha on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equi ". Maximum allowable hole angle is 5 degrees. or mud monitoring. If no PVT is available, visual monitoring will be utilitzed. DATE:

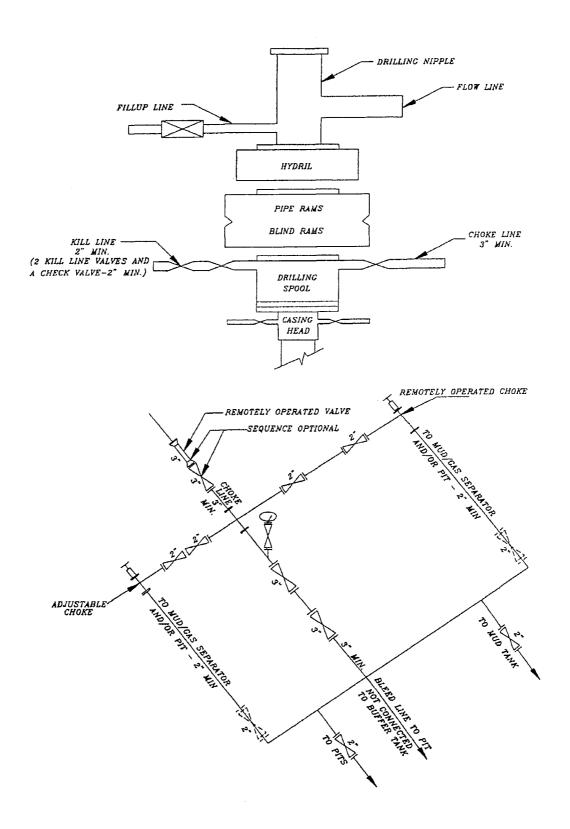
DRILLING SUPERINTENDENT:

DRILLING

Randy Bayne 1021-18A_APD.xls

^{*}Substitute caliper hole volume plus 15% excess for TAIL if accurate caliper is obtained

5M BOP STACK and CHOKE MANIFOLD SYSTEM



NBU 1021-18A NENE SEC 18-T10S-R21E Uintah County, UT UTU-02270-A

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. Existing Roads:

Refer to Topo Map A for directions to the location.

Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

Refer to Topo Maps A and B for location of access roads within a 2 mile radius.

All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.

2. Planned Access Roads:

Approximately 0.15 miles of new access road is proposed. Refer to Topo Map B for the location of the proposed access road.

The upgraded and new portions of the access road will be crowned and ditched with a running surface of 18 feet and a maximum disturbed width of 30 feet. Appropriate water control will be installed to control erosion.

Existence of pipelines; maximum grade; turnouts; major cut and fills, culverts, or bridges; gates, cattle guards, fence cuts, or modifications to existing facilities were determined at the on-site.

The access road was centerline flagged during time of staking.

Surfacing material may be necessary, depending upon weather conditions.

Surface disturbance and vehicular traffic will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.

3. <u>Location of Existing Wells Within a 1-Mile Radius</u>

Please refer to Topo Map C.

4. Location of Existing & Proposed Facilities

The following guidelines will apply if the well is productive.

All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.

A dike will be constructed completely around those production facilities which contain

fluids (i.e., production tanks, produced water tanks, and/or heater/treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank, and be independent of the back cut.

All permanent (on-site six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the five state Rocky Mountain Inter-Agency Committee.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The required color is Carlsbad Canyon, standard color number 2.5Y 6/2.

Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.

Approximately 1209' of pipeline is proposed. Refer to Topo D for the proposed pipeline.

5. Location and Type of Water Supply:

Water for drilling purposes will be obtained from Dalbo Inc.'s underground well located in Ouray, Utah, Sec. 32, T4S, R3E, Water User Claim #43-8496, Application #53617.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

6. Source of Construction Materials

Surface and subsoil materials in the immediate area will be utilized.

Any gravel will be obtained from a commercial source.

7. Methods of Handling Waste Materials

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids, including salts and chemicals, will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated.

The reserve pit will be constructed on the location and will not be located within natural drainage, where a flood hazard exists or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, break, or allow discharge of liquids.

A plastic reinforced liner and felt will be used, it will be a minimum of 20 mil thick, with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the liner will be disposed of in the pit.

Any spills of oil, gas, salt water, or other noxious fluids will be immediately cleaned up and removed to an approved disposal site.

A chemical porta-toilet will be furnished with the drilling rig.

Garbage, trash, and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash will be burned on location.

All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

Any produced water from the proposed well will be contained in a water tank and will then be hauled By truck to one of the pre-approved disposal sites: RNI, Sec. 5, T9S, R22E, NBU #159, Sec. 35, T9S, R21E, Ace Oilfield, Sec. 2, T6S, R20E, MC&MC, Sec. 12, T6S, R19E.

8. Ancillary Facilities:

None are anticipated.

9. Well Site Layout: (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

The reserve pit will be lined, and when the reserve pit is closed, the pit liner will be buried below plow depth.

All pits will be fenced according to the following minimum standards:

39 inch net wire will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.

The net wire shall be no more than two inches above the ground. The barbed wire shall be three inches over the net wire. Total height of the fence shall be at least 42 inches.

Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.

All wire shall be stretched, by using a stretching device, before it is attached to corner posts.

The reserve pit fencing will be on three sides during drilling operations, and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.

Location size may change prior to the drilling of the well due to current rig availability. If the proposed location is not large enough to accommodate the drilling rig the location will be re-surveyed and a Form 9 shall be submitted.

10. Plans for Reclamation of the Surface:

Producing Location:

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production.

Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

A plastic, nylon reinforced liner will be used, it shall be torn and perforated before backfilling of the reserve pit.

Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.

To prevent surface water (s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface three feet above surrounding ground surface to allow the reclaimed pit area to drain effectively.

Upon completion of backfilling, leveling, and recontouring, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

Dry Hole/Abandoned Location:

Abandoned well sites, roads, and other disturbed areas will be restored as near as practical to their original condition. Where applicable, these conditions include the re-establishment of irrigation systems, the re-establishment of appropriate soil conditions, and re-establishment of vegetation as specified.

All disturbed surfaces will be recontoured to the approximate natural contours, with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. Reseeding operations will be performed after completion of other reclamation operations.

11. Surface Ownership:

SITLA 675 East 500 South, Suite 500 Salt Lake City, UT 84102

12. Other Information:

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, the approved Plan of Operations, and any applicable Notice of Lessees. The Operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

The Operator will control noxious weeds along Rights-Of-Way for roads, pipelines, well sites, or other applicable facilities.

A Class III archaeological survey has been completed and is attached.

This location is not within 460' from the boundary of the Natural Buttes Unit, nor is it Within 460' of any non-committed tract lying within the boundaries of the Unit.

13. Lessee's or Operators's Representative & Certification:

Debra Domenici Associate Environmental Analyst Westport O&G Co. 1368 South 1200 East. Vernal, UT 84078 (435) 781-7060 Randy Bayne Drilling Manager Westport O&G Co. 1368 South 1200 East Vernal, UT 84078 (435)781-7018

Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Westport O&G Co. is considered to be the operator of the subject well. Westport O&G Co. agrees to be responsible under terms and conditions of the lease for the operations conducted upon leased lands.

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by State Surety Bond #RLB0005236.

NBU 1021-18A Surface Use & Operations Plan	Page 6
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I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the Operator, its contractors, and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

Debra Domenici 11/21/2005

Date

WESTPORT OIL AND GAS COMPANY, L.P.

NBU #1021-18A SECTION 18, T10S, R21E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; TURN LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 9.1 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 2.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.5 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHEAST; FOLLOW ROAD FLAGS IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.15 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 44.15 MILES.

WESTPORT OIL AND GAS COMPANY, L.P.

NBU #1021-18A

LOCATED IN UINTAH COUNTY, UTAH **SECTION 18, T10S, R21E, S.L.B.&M.**



PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHEASTERLY



Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078 435-789-1017 vels@uelsinc.com

LOCATION PHOTOS

MONTH DAY YEAR

РНОТО

TAKEN BY: B.B. | DRAWN BY: C.P. | REVISED: 00-00-00

WESTPORT OIL AND GAS COMPANY, L.P. NBU #1021-18A PIPELINE ALIGNMENT

LOCATED IN UINTAH COUNTY, UTAH SECTION 18, T10S, R21E, S.L.B.&M.



PHOTO: VIEW FROM TIE-IN POINT

CAMERA ANGLE: EASTERLY

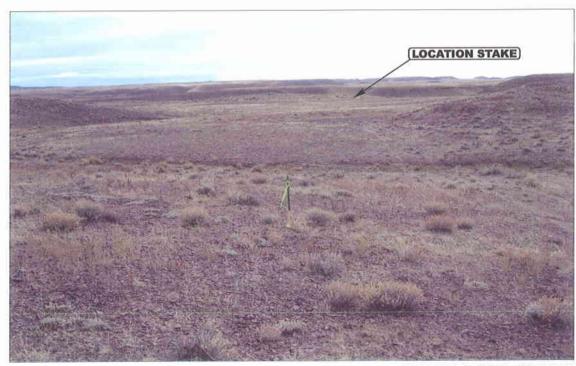


PHOTO: VIEW OF PIPELINE AT LOCATION

CAMERA ANGLE: SOUTHEASTERLY



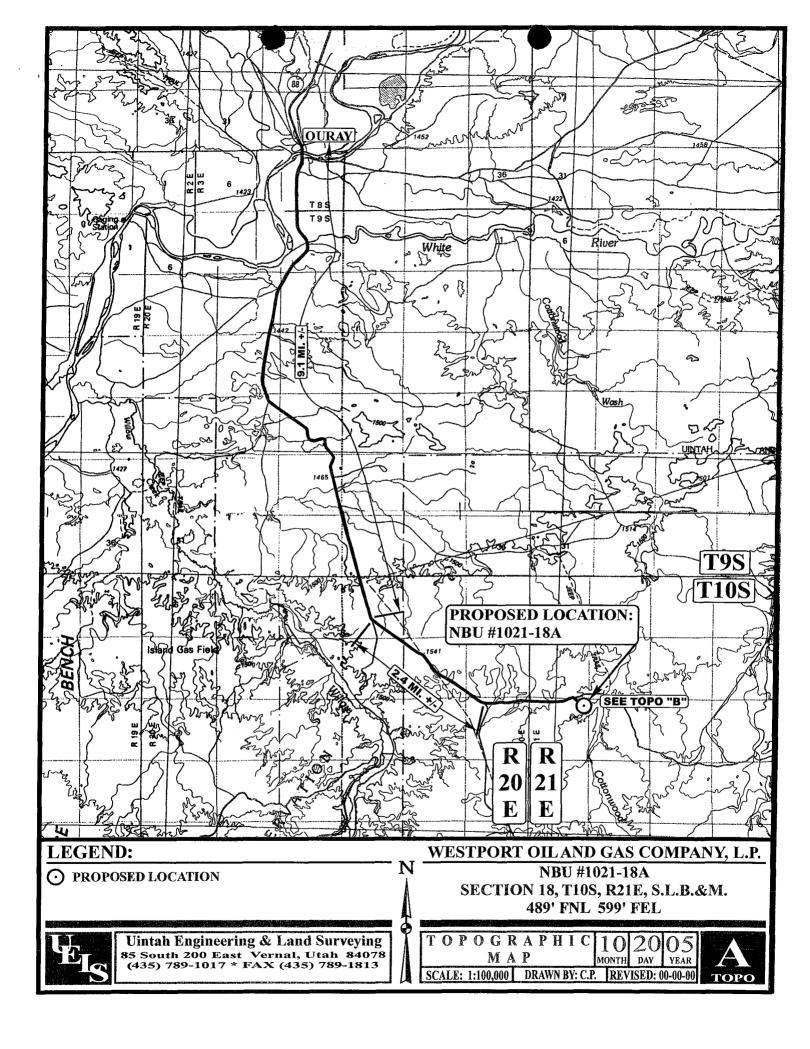
Uintah Engineering & Land Surveying 85 South 200 East Vernal, Utah 84078 435-789-1017 uels@uelsinc.com

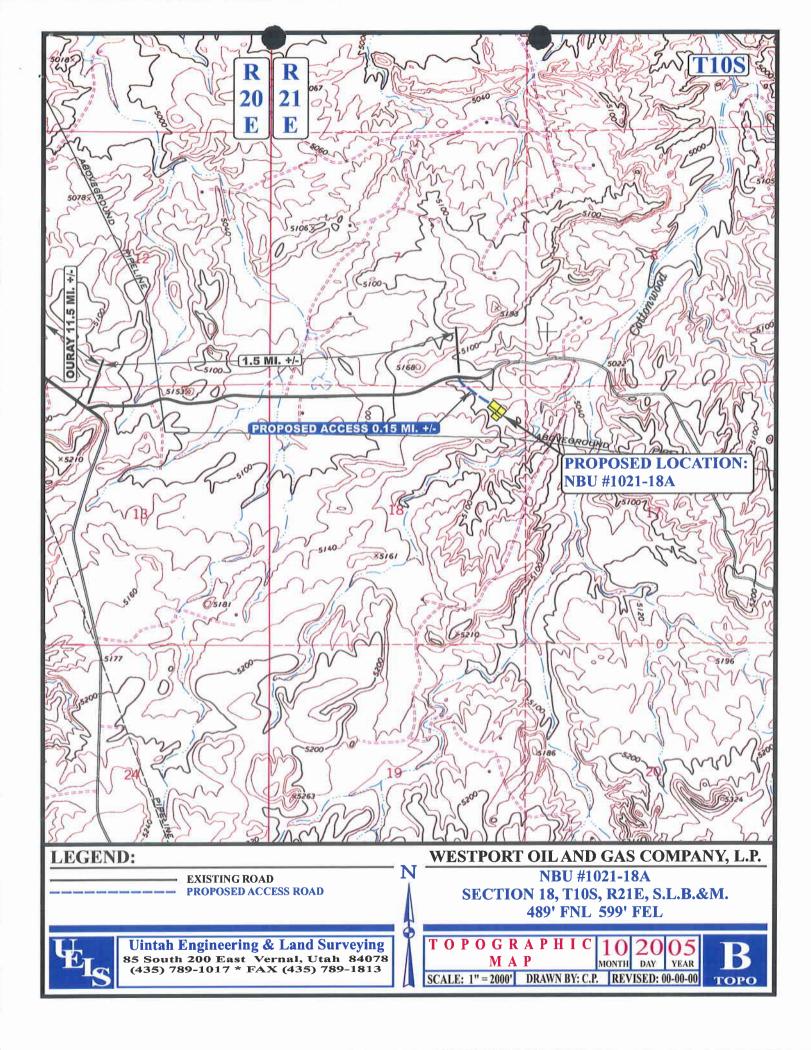
PIPELINE PHOTOS

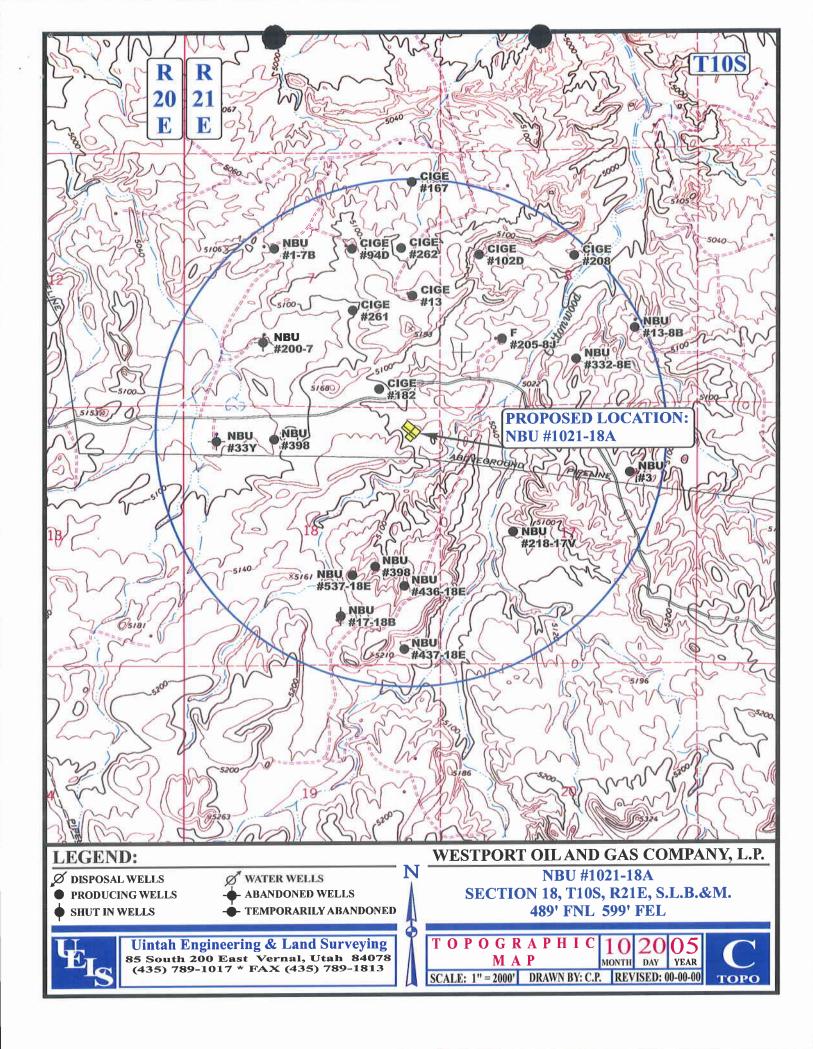
MONTH DAY

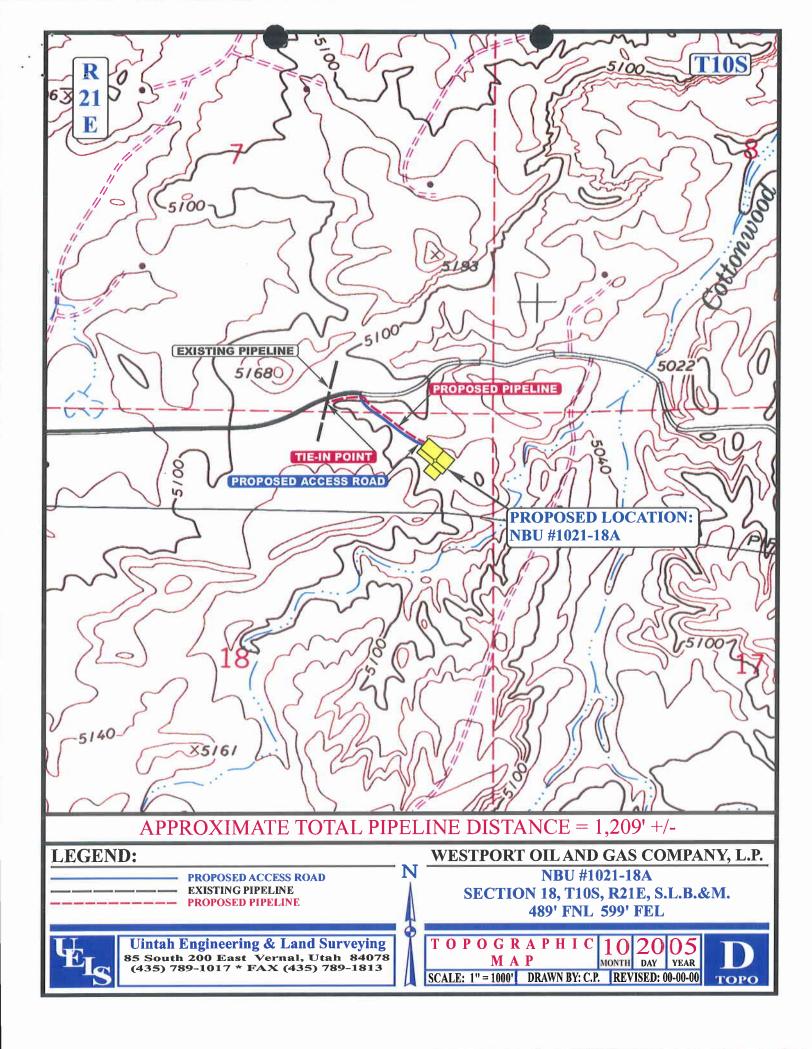
РНОТО

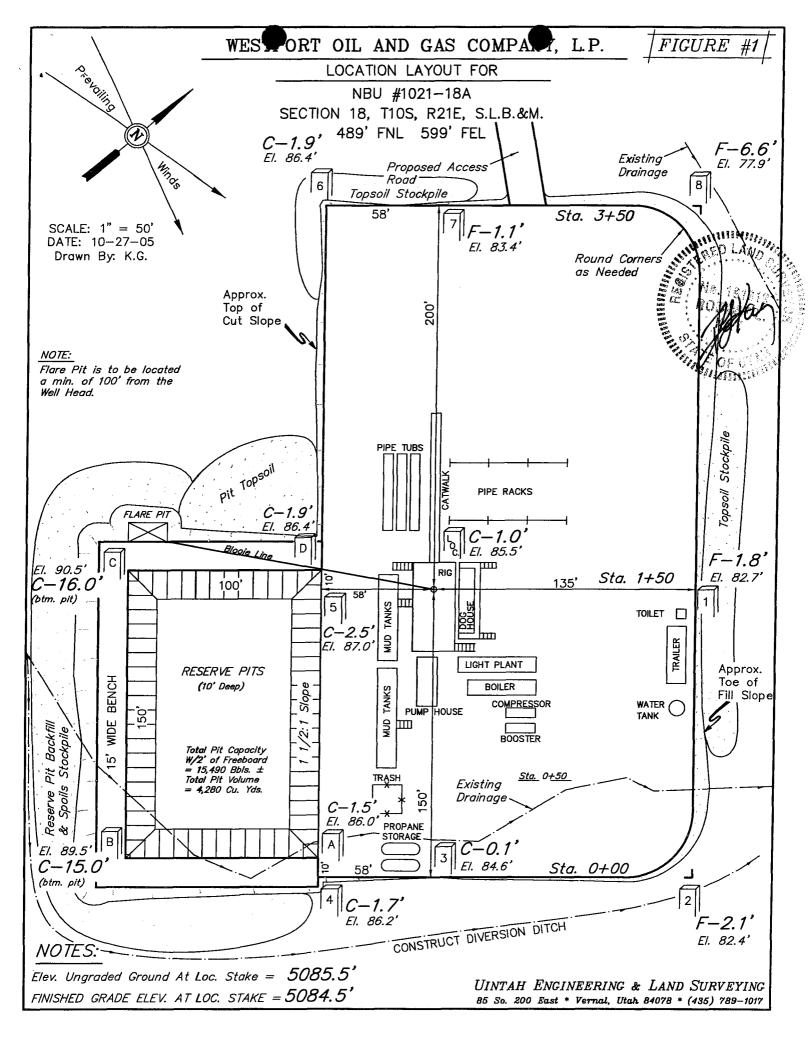
TAKEN BY: D.K. | DRAWN BY: C.P. | REVISED: 00-00-00

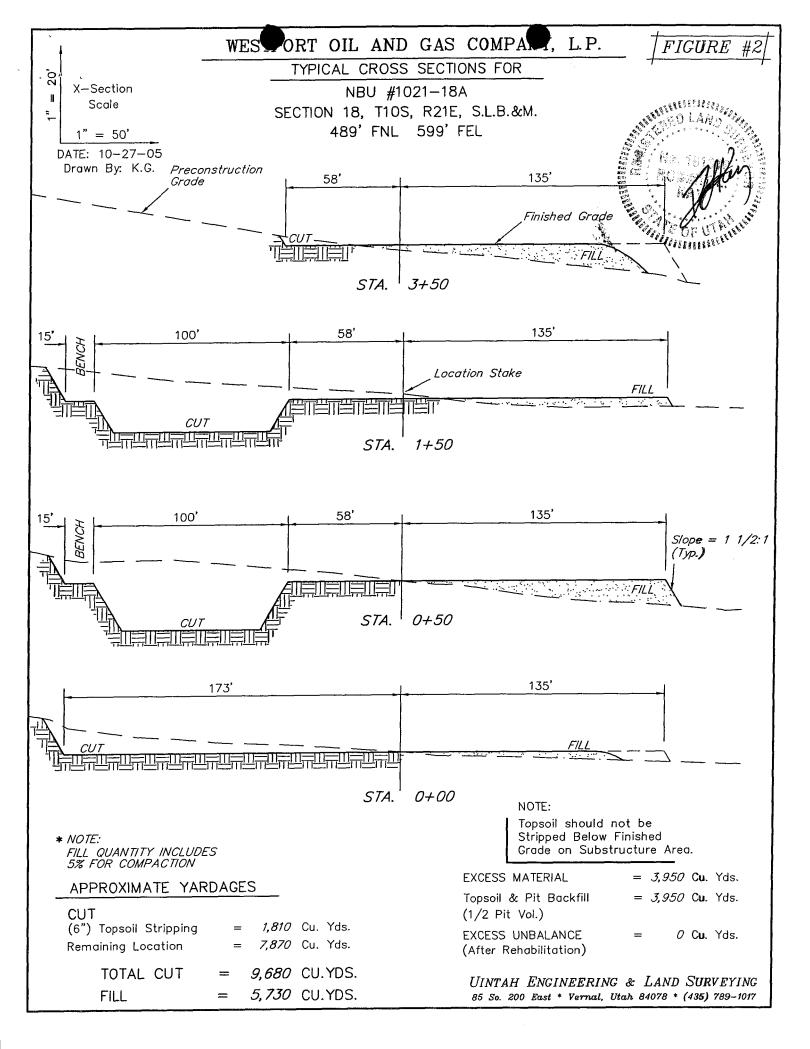




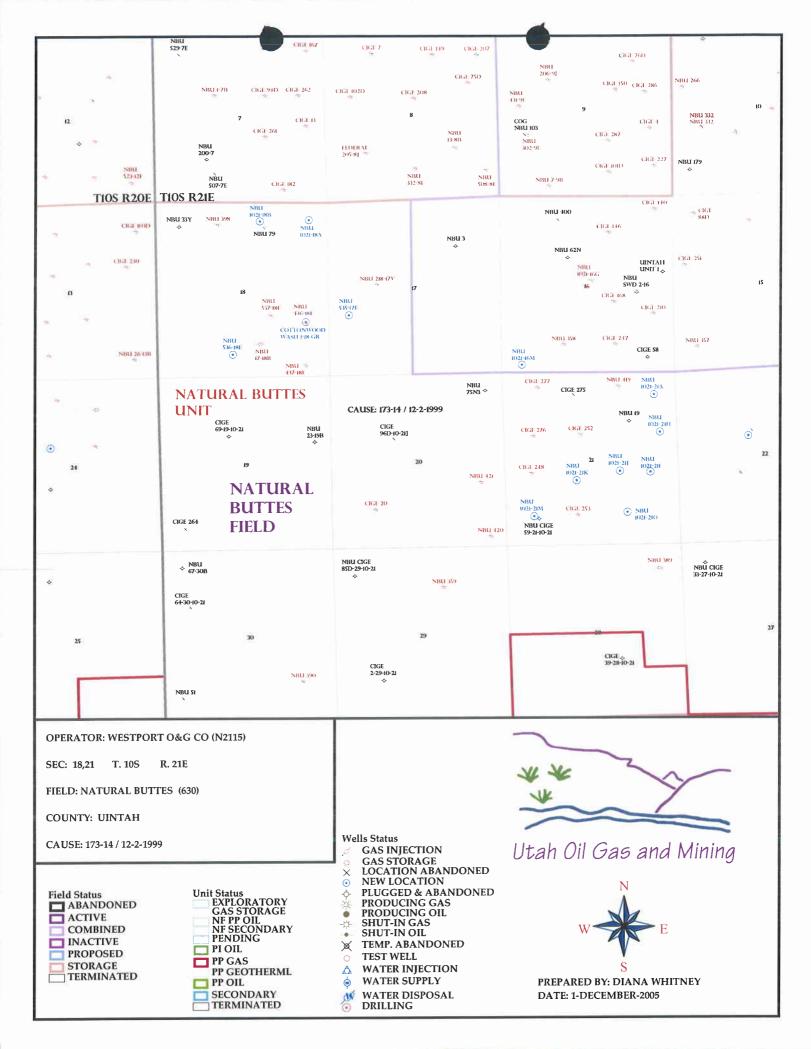








APD RECEIVED: 11/30/2005	API NO. ASSIGNED: 43-047-37431
WELL NAME: NBU 1021-18A OPERATOR: WESTPORT OIL & GAS CO (N2115) CONTACT: DEBRA DOMENICI	PHONE NUMBER: 435-781-7060
PROPOSED LOCATION: NENE 18 100S 210E SURFACE: 0489 FNL 0599 FEL BOTTOM: 0489 FNL 0599 FEL UINTAH NATURAL BUTTES (630) LEASE TYPE: 1 - Federal LEASE NUMBER: UTU-02270-A SURFACE OWNER: 3 - State PROPOSED FORMATION: WSMVD COALBED METHANE WELL? NO	INSPECT LOCATN BY: / / Tech Review Initials Date Engineering Geology Surface LATITUDE: 39.95371 LONGITUDE: -109.5869
RECEIVED AND/OR REVIEWED: Plat Bond: Fed[1] Ind[] Sta[] Fee[] (No. RLB0005238) Potash (Y/N) Oil Shale 190-5 (B) or 190-3 or 190-13 Water Permit (No. 43-8496) RDCC Review (Y/N) (Date:) MP Fee Surf Agreement (Y/N) Intent to Commingle (Y/N)	LOCATION AND SITING: R649-2-3. Unit NATURAL BUTTES R649-3-2. General
STIPULATIONS: 1- COMMENTS: 1- COMMENTS: 2- On SHALE 3- STATEMENT	0-05) OF BASUS



DIVISION OF OIL, GAS AND MINING APPLICATION FOR PERMIT TO DRILL STATEMENT OF BASIS

OPERATOR:	WESTPORT OIL AND GAS.				
WELL NAME & NUMBER:	NBU 1021-18A				
API NUMBER:					
LOCATION: 1/4,1/4 <u>NENE</u> Sec: 1	<u> 18 TWP: 10S RNG: 21E 489' FNL 599' FEL</u>				
Geology/Ground Water:					
Westport proposes to set 2,100' of	surface casing at this location. The depth to the base of the moderately				
saline water at this location is estimated	ated to be at a depth of 5,100'. A search of Division of Water Rights records				
shows no water wells within a 10,00	00 foot radius of the center of Section 18. The surface formation at this site				
is the Uinta Formation. The Uinta	Formation is made up of interbedded shales and sandstones. The sandstones				
are mostly lenticular and discontinue	ous and should not be a significant source of useable ground water.				
Reviewer: Brad I	Hill Date: 12/27/05				
Surface:					
· · · · · · · · · · · · · · · · · · ·					
The pre-site investigation of the surf	face was performed on 12/20/2005. This site is on State surface, with Federal				
minerals, and appears to be a good s	site for a well in this drilling window. Jim Davis of SITLA was present but				
stated no concerns with drilling at th	is site. Ben Williams from DWR was present, but stated no wildlife concerns				
with drilling on this location. Carroll Estes discussed pipeline capacity and stated that pipeline would not follow					
access road as originally planned bu	t would go south from location to an existing pipeline.				
Reviewer: Richard	Powell Date: 12/20/2005				
Conditions of Approval/Application					

1. A synthetic liner with a minimum thickness of 12 mils shall be properly installed and maintained in the reserve

pit.

ON-SITE PREDRILL EVALUATION Division of Oil, Gas and Mining

OPERATOR: WESTPORT OIL AND GAS COMPANY

WELL NAME & NUMBER: NBU 1021-18A

API NUMBER: 43-047-37431

LEASE: UTU-02270-A FIELD/UNIT: NATURAL BUTTES

LOCATION: 1/4,1/4 NENE Sec: 18 TWP: 10S RNG: 21E 489' FNL 599' FEL

LEGAL WELL SITING: 460' from unit boundary and uncommitted tracts.

GPS COORD (UTM): 12T 0620712 4423365 SURFACE OWNER: SITLA.

PARTICIPANTS

Richard Powell and Ted Smith (DOGM), Ben Williams (DWR), Debra Domenici and Carroll Estes (WESTPORT), David Kay and Lucas Kay (UELS), Jim Davis (SITLA)

REGIONAL/LOCAL SETTING & TOPOGRAPHY

Area of location slopes slightly to the north and is surrounded by small hills with shallow drainages. There are scattered hills and valleys nearby with exposed rock outcroppings along the ridges. Ouray is approximately 13 miles northwest.

SURFACE USE PLAN

CURRENT SURFACE USE: Wildlife Grazing.

PROPOSED SURFACE DISTURBANCE: Location as proposed will be 350' by 293'. Proposed new access road 0.15 miles.

LOCATION OF EXISTING WELLS WITHIN A 1-MILE RADIUS: See attached map from GIS database.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: All production facilities will be on location and added after drilling well. Pipeline will not follow access road as originally planned but will travel south of location to and existing pipeline.

SOURCE OF CONSTRUCTION MATERIAL: <u>All construction material will be borrowed from site during construction of location</u>.

ANCILLARY FACILITIES: None required.

WILL DRILLING AT THIS LOCATION GENERATE PUBLIC INTEREST OR CONCERNS? (EXPLAIN): Unlikely.

WASTE MANAGEMENT PLAN:

Drilled cuttings will be settled into reserve pit. Liquids from pit will be allowed to evaporate. Formation water will be confined to storage tanks. Portable toilets, sewage holding tanks, and onsite sewage treatment equipment will be handled by commercial contractors and

regulated by the appropriate health authority. Trash will be contained in trash baskets and disposed of at an approved landfill.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: None.

FLORA/FAUNA: The area of location contains sparse, low growing sagebrush, with some bunch grass, salt brush, rabbit brush and prickly pear. Wildlife found in this area may include: Rodents, Raptors, Coyote, Pronghorn, Bobcat, Prairie Dogs and Rabbits.

SOIL TYPE AND CHARACTERISTICS: Poor, light brown silt soil with fractured shale.

EROSION/SEDIMENTATION/STABILITY: It does not appear that construction will affect erosion or the potential of sediment leaving the site.

PALEONTOLOGICAL POTENTIAL: Center stake marked by S Sandau (IPC) on 10/11/2005.

RESERVE PIT

CHARACTERISTICS: 150' by 100' and ten feet deep. Reserve pit to be placed in cut.

LINER REQUIREMENTS (Site Ranking Form attached): A liner will be required for reserve pit. Site ranking score is 30.

SURFACE RESTORATION/RECLAMATION PLAN

As per SITLA

SURFACE AGREEMENT: As per SITLA

CULTURAL RESOURCES/ARCHAEOLOGY: Center Stake marked by Moac K.M. on 9/28/2005.

OTHER OBSERVATIONS/COMMENTS

ATTACHMENTS

PHOTOS OF THIS SITE WERE TAKEN AND PLACED ON FILE.

RICHARD POWELL
DOGM REPRESENTATIVE

12/20/2005 9:55 AM DATE/TIME

Exercision Ranking Criteria and Ranking Score For Reserve and Onsite Pit Liner Requirements

Site-Specific Factors	Ranking	Site Ranking
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75 <25 or recharge area	15 20	5
-		
Distance to Surf. Water (feet) >1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	0
Distance to Nearest Municipal		
Well (feet) >5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	20	0
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	_
<300	20	0
Native Soil Type		
Low permeability	0	
Mod. permeability	10	20
High permeability	20	
Fluid Type		
Air/mist	0	
Fresh Water TDS >5000 and <10000	5 10	
TDS >10000 or Oil Base Mud Fluid	15	
containing significant levels of		
hazardous constituents	20	5
Drill Cuttings		
Normal Rock	0	•
Salt or detrimental	10	0
Annual Precipitation (inches)		
<10	0	
10 to 20	5 10	0
>20	10	
Affected Populations	0	
<10 10 to 30	0 6	
30 to 50	8	
>50	10	0
Presence of Nearby Utility		
Conduits		
Not Present	0	
Unknown Present	10 15	0
FICACIIC	10	

_______ (Level <u>I Sensitivity</u>)

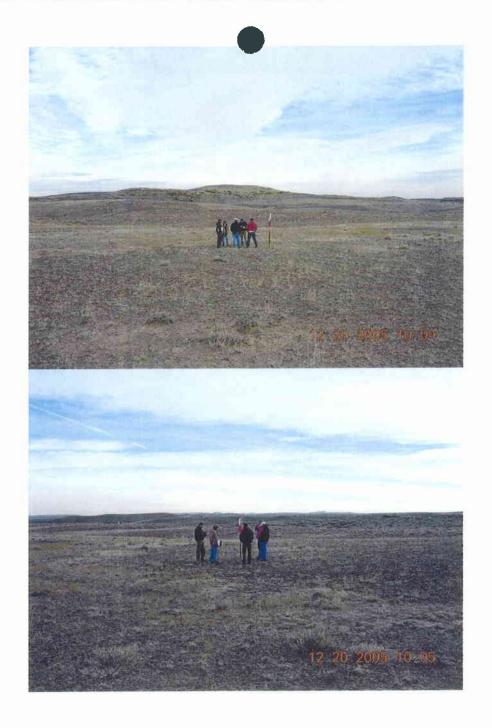
Sensitivity Level I = 20 or more; total containment is required.

Sensitivity Level II = 15-19; lining is discretionary.

Final Score

Sensitivity Level III = below 15; no specific lining is required.







United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155

Salt Lake City, Utah 84145-0155

IN REPLY REFER TO: 3160 (UT-922)

December 1, 2005

Memorandum

To:

Assistant District Manager Minerals, Vernal District

From:

Michael Coulthard, Petroleum Engineer

Subject:

2005 Plan of Development Natural Buttes Unit Uintah

County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2005 within the Natural Buttes Unit, Uintah County, Utah.

API#

WELL NAME

LOCATION

(Proposed PZ Wasatch/MesaVerde)

43-047-37431 NBU 1021-18A Sec 18 T10S R21E 0489 FNL 0599 FEL 43-047-37432 NBU 1021-18B Sec 18 T10S R21E 0544 FNL 2094 FEL 43-047-37433 NBU 1021-21M Sec 21 T10S R21E 0839 FSL 0834 FWL 43-047-37434 NBU 1021-21O Sec 21 T10S R21E 0901 FSL 1640 FEL 43-047-37435 NBU 1021-21I Sec 21 T10S R21E 2121 FSL 0920 FEL 43-047-37436 NBU 1021-21J Sec 21 T10S R21E 2171 FSL 1842 FEL 43-047-37437 NBU 1021-21K Sec 21 T10S R21E 1914 FSL 2150 FWL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc:

File – Natural Buttes Unit Division of Oil Gas and Mining

Central Files Agr. Sec. Chron Fluid Chron Form 9°

STATE OF UTAH

DEPARTMENT OF NATURAL RESOU	IRCES					
DIVISION OF OIL, GAS AND MINII	6. Lease Designation and Serial Number					
		UTU-02270-A				
		7. Indian Allottee or Tribe Name				
SUNDRY NOTICES AND REPORTS OF	N WELLS					
Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter	plugged and abandoned wells.	8. Unit or Communitization Agreement				
Use APPLICATION FOR PERMIT for such proposals		NATURAL BUTTES				
1. Type of Well		9. Well Name and Number				
Oil Gas Other (specify)		NBU 1021-18A				
2. Name of Operator		10. API Well Number				
WESTPORT OIL & GAS COMPANY, L.P.						
Address of Operator	4. Telephone Number	11. Field and Pool, or Wildcat				
1368 SOUTH 1200 EAST, VERNAL, UTAH 84078	435-781-7060	NATURAL BUTTES				
5. Location of Well						
Footage : 489' FNL 599' FEL	County:	unty : UINTAH				
QQ, Sec, T., R., M : NENE SEC 18-T10S-R21E	State :	: UTAH				
12. CHECK APPROPRIATE BOXES TO INDICATE	NATURE OF NOTICE	, REPORT, OR OTHER DATA				
NOTICE OF INTENT	SUE	SSEQUENT REPORT				
(Submit in Duplicate)	(Sub	omit Original Form Only)				
Abandonment New Construction	Abandonment	* New Construction				
Casing Repair Pull or Alter Casing	Casing Repair	Pull or Alter Casing				
X Change of Plans Recompletion	Change of Plar	ns Shoot or Acidize				
Conversion to Injection Shoot or Acidize	Conversion to I	Injection Vent or Flare				
Fracture Treat Vent or Flare	Fracture Treat	Water Shut-Off				
Multiple Completion Water Shut-Off	Other					
Other						
	Date of Work Completion					
Approximate Date Work Will Start WHEN APPROVED	•					
· ·	Report results of Multiple (Completions and Recompletions to different reservoirs				
	on WELL COMPLETION OR RECOMPLETION AND LOG form.					
	* Must be accompanied by a cement verification report.					
13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertin		ates. If well is directionally drilled, give subsurface				
locations and measured and true vertical depths for all markers and zones pertine	•	DATETHE ONGER				
OPERATOR REQUESTS PERMISSION TO RE-ROUTE THE PIPELINE AS DISCUSSED AT THE ONSITE.						
PLEASE REFER TO THE ATTACHED TOPO D FOR THE NEW	PIPELINE ROUTE.					

14. I hereby certify that the foregoing is true and correct.

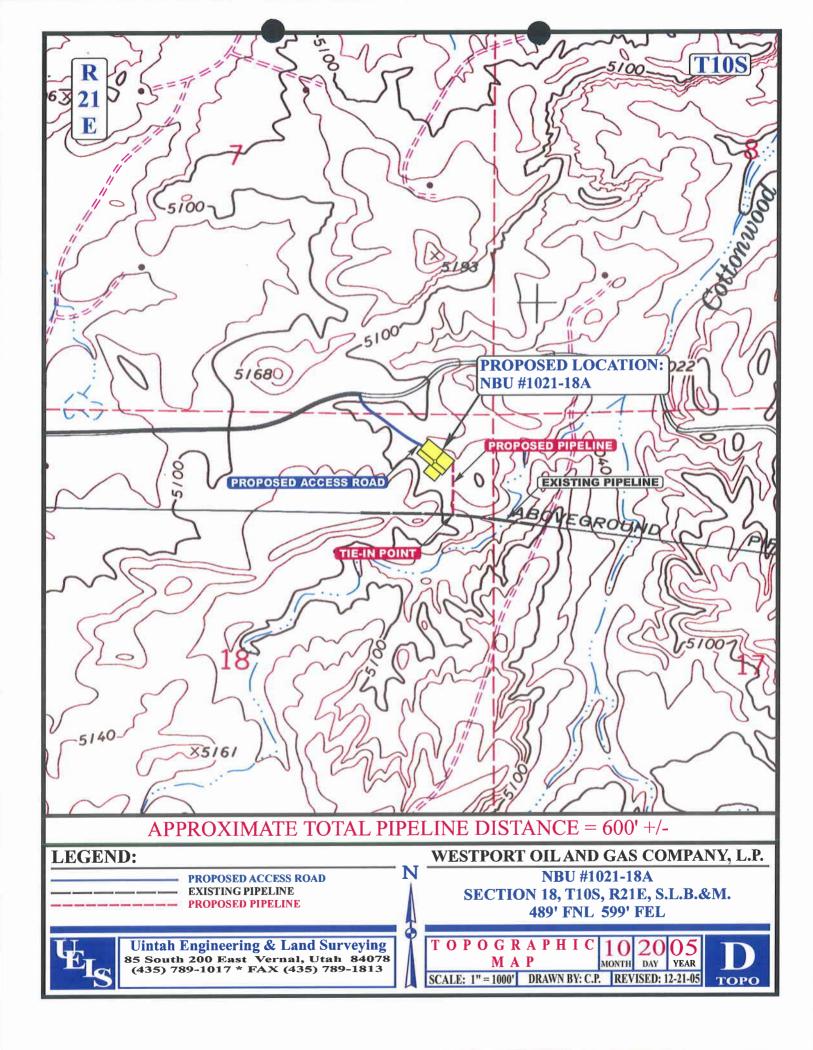
Name & Signature

Title ASSOC. ENV. ANALYST

12/27/05 Date

(State Use Only)

RECEIVED JAN 03 2006



From: Ed Bonner
To: Whitney, Diana
Date: 1/10/2006 9:55:42 AM
Subject: Re: Wells clearance

Diana.

Please be advised that the following wells are SITLA surface, Federal mineral and will require clearence from Kurt Higgins:

```
Westport O&G Co
                 NBU 1021-18A
Westport O&G Co
                 NBU 1021-18B
Westport O&G Co
                 NBU 1021-21M
Westport O&G Co
                      NBU 1021-210
Westport O&G Co
                 NBU 1021-21I
Westport O&G Co
                 NBU 1021-21J
Westport O&G Co
                 NBU 1021-21K
Westport O&G Co
                 Hatch 923-13C
```

Thanks, Ed

>>> Diana Whitney 12/27/05 11:36 AM >>>

Hi Ed.

Do you have a wells clearance for the following wells

```
Sent to Sitla on
Westport O&G Co
                      NBU 1021-18A
                                             12/1/2005
Westport O&G Co
                      NBU 1021-18B
                                             12/1/2005
Westport O&G Co
                      NBU 1021-21M
                                                    12/1/2005
Westport O&G Co
                      NBU 1021-210
                                                    12/1/2005
Westport O&G Co
                                             12/1/2005
                      NBU 1021-21I
Westport O&G Co
                      NBU 1021-21J
                                             12/1/2005
Westport O&G Co
                      NBU 1021-21K
                                             12/1/2005
Houston Expl Co
                              N Horseshoe 7-16-6-21
                                                           12/1/2005
Houston Expl Co
                              N Horseshoe 9-16-6-21
                                                           12/1/2005
Houston Expl Co
                              N Horseshoe 15-16-6-21
                                                           12/1/2005
Houston Expl Co
                             N Horseshoe 11-16-6-21
                                                           12/1/2005
Houston Expl Co
                             N Horseshoe 1-16-6-21
                                                           12/1/2005
Houston Expl Co
                              N Walker Hollow 11-36-6-23 12/7/2005
Houston Expl Co
                              N Walker Hollow 13-36-6-23 12/7/2005
                              N Walker Hollow 15-36-6-23 12/7/2005
Houston Expl Co
Summit Oper LLC
                      State 6-2-14-22
                                                    10/31/2005
Summit Oper LLC
                      State 2-2-14-22
                                                    10/31/2005
Gasco Production Co.
                      Uteland St 43-2-10-18
                                            10/31/2005
Gasco Production Co
                      Uteland St 23-2-10-18
                                            10/31/2005
Colorado-Utah Natural
                      Little Boy 1
                                            11/9/2005
Colorado-Utah Natural
                      Little Boy 2
                                            11/9/2005
Houston Expl Co
                             N Horseshoe 3-16-6-21 11/18/2005
Summit Oper LLC
                      State 4-2-14-22
                                                    10/20/2005
Summit Oper LLC
                      State 13-2-14-22
                                            10/20/2005
Pendragon Enery
                      State 9-16-10-18
                                            10/3/2005
Westport O&G Co
                      NBU 1022-19J
                                            10/3/2005
```



State of Utah

Department of Natural Resources

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA Division Director JON M. HUNTSMAN, JR. Governor

> GARY R. HERBERT Lieutenant Governor

> > January 12, 2006

Westport Oil & Gas Company, LP 1368 South 1200 East Vernal, UT 84078

Re: Natural Buttes Unit 1021-18A Well, 489' FNL, 599' FEL, NE NE, Sec. 18, T. 10 South, R. 21 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-37431.

Sincerely,

Gil Hunt

Associate Director

pab Enclosures

cc:

Uintah County Assessor

Bureau of Land Management, Vernal District Office

Operator:	Westport Oil & Gas Company, LP				
Well Name & Number	Natural Buttes Unit 1021-18A				
API Number:	43-047-37431				
Lease:	UTU-02270-A				
Location: <u>NE NE</u>	Sec. 18	T. 10 South	R. 21 East		

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

- 4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.
- 5. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.
- 6. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

NOV 2 3 2005

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Form 3160-3 (August 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0136

Expires November 30, 2000 5. Lease Serial No.

UTU-02270-A

\ BUREAU OF LAND MAN	UTU-02270-A					
APPLICATION FOR PERMIT TO	APPLICATION FOR PERMIT TO DRILL OR REENTER					
la. Type of Work: X DRILL REE	ENTER			7. If Unit or CA Agreemen	t, Name and No.	
				NATURAL B	JTTES	
				8. Lease Name and Well N	0.	
b. Type of Well: Oil Well X Gas Well Other		Single Zone 🛛 🗴	Multiple Zone	NBU 1021-	18A	
2. Name of Operator				9. API Well No.		
WESTPORT OIL & GAS COMPANY L.P.				43-047-374	431	
3A. Address	3b. Phone N	lo. (include area co	ode)	10. Field and Pool, or Explo	ratory	
1368 SOUTH 1200 EAST, VERNAL, UTAH 84078		(435) 781-7	7060	NATURAL BI	JTTES	
4. Location of Well (Report location clearly and in accordance with	any State red	quirements.*)		11. Sec., T., R., M., or Blk,	and Survey or Area	
At surface NENE 489' FNL 599' FEL	SEC 18-T10S	-R21E				
At proposed prod. Zone						
14. Distance in miles and direction from nearest town or post office*	12. County or Parish	13. State				
14.5 MILES SOUTHEAST OF OURAY, UTAH				UINTAH	UT	
location to nearest	16. No. of A	Acres in lease	17. Spacing Unit de	dicated to this well		
(Also to nearest drig. unit line, if any)	2	167.03		40		
18. Distance from proposed location* to nearest well drilling completed. REFER TO	19. Propose	d Depth	20. BLM/BIA Bond	l No. on file	· · · · · · · · · · · · · · · · · · ·	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. REFER TO TOPO C	!	9700'		CO-1203		
21. Elevations (Show whether DF, KDB, RT, GL, etc.)	22. Approxi	mate date work wi	ll start*	23. Estimated duration		
5085.5' GL		UPON APPRO	OVAL TO BE DETERMINED			
	24. <i>A</i>	ttachments		<u>-</u>		
The following, completed in accordance with the requirements of Onsi	hore Oil and	Gas Order No. 1, s	hall be attached to thi	s form:		
Well plat certified by a registered surveyor.		4. Bond to cov	ver the operations un	less covered by an existing bon	d on file (see	
2. A Drilling Plan.		Item 20 abo	ove).			
3. A Surface Use Plan (if the location is on National Forest System La	inds, the	 Operator cer 	•			
SUPO shall be filed with the appropriate Forest Service Office.	-,	•		on and/or plans as may be requi	red by the	
oor o sharr or more with the appropriate roles or vice Office.		authorized o	•	m androi pians as may be requi	ica by the	

25. Signature

One of the state of the state

DEBRA DOMENICI

Name (Printed/Typed)

2/16/2006

Date

ASSOCIATE ENVIRONMENTAL ANALYST

| Name (Printed/Typed)

Office

| Name (17thtea/1)/pe

03/17/2006

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on reverse)

Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY

MOTICE OF APPROXID

MAR 2 4 2006

CITA OF CIL, GAS & MINING





UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT** VERNAL FIELD OFFICE

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: Westport Oil & Gas Co. Location:

NENE, Sec 18, T10S, R21E

Well No:

NBU 1021-18A

Lease No:

UTU-02270-A

API No:

43-047-37431

Agreement: Natural Buttes WS MV

Petroleum Engineer:	Matt Baker	Office: 435-781-4490	Cell: 435-828-4470
Petroleum Engineer:	Michael Lee	Office: 435-781-4432	Cell: 435-828-7875
Supervisory Petroleum Technician:	Jamie Sparger	Office: 435-781-4502	Cell: 435-828-3913
Environmental Scientist:	Paul Buhler	Office: 435-781-4475	Cell: 435-828-4029
Environmental Scientist:	Karl Wright	Office: 435-781-4484	
Natural Resource Specialist:	Holly Villa	Office: 435-781-4404	
Natural Resource Specialist:	Melissa Hawk	Office: 435-781-4476	
After Hours Contact Number: 435	781-4513	Fax: 435-781-4410	

A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR FIELD REPRESENTATIVE TO INSURE COMPLIANCE

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. This permit is approved for a one-year period. An additional year extension may be applied for by sundry notice prior to expiration.

NOTIFICATION REQUIREMENTS

Location Construction
(Notify Holly Villa)

Forty-Eight (48) hours prior to construction of location and access roads.

Location Completion (Notify Holly Villa)

Prior to moving on the drilling rig.

Spud Notice

Twenty-Four (24) hours prior to spudding the well.

(Notify Petroleum Engineer)

Casing String & Cementing

Twenty-Four (24) hours prior to running casing and cementing all casing

strings.

BOP & Related Equipment Tests

(Notify Jamie Sparger)

(Notify Jamie Sparger)

Twenty-Four (24) hours prior to initiating pressure tests.

First Production Notice (Notify Petroleum Engineer) Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

COAs: Page 2 of 6 Well: NBU 1021-18A

SURFACE USE PROGRAM CONDITIONS OF APPROVAL (COAs)

Adhere to the Conditions of Approval attached to the APD Approval from the State of Utah Division of Oil, Gas, & Mining for state surface.

COAs: Page 3 of 6 Well: NBU 1021-18A

DOWNHOLE CONDITIONS OF APPROVAL

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

1. None.

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- 1. There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well. Any changes in operation must have prior approval from the BLM, Vernal Field Office Petroleum Engineers.
- 2. The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- 3. <u>Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.</u>
- 4. Blowout prevention equipment (BOPE) will remain in use until the well is completed or abandoned. Closing unit controls must remain unobstructed and readily accessible at all times. Choke manifolds must be located outside of the rig substructure.

All BOPE components will be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests must be performed by a test pump with a chart recorder and <u>NOT</u> by the rig pumps. Test must be reported in the driller's log.

BOP drills must be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.

Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.

No aggressive/fresh hard-banded drill pipe shall be used within casing.

- 5. All shows of fresh water and minerals will be reported and protected. A sample will be taken of any water flows and a water analysis furnished the BLM, Vernal Field Office. All oil and gas shows will be adequately tested for commercial possibilities, reported, and protected.
- 6. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the BLM, Vernal Field Office. If operations are to be suspended for more than 30 days, prior

COAs: Page 4 of 6 Well: NBU 1021-18A

approval of the BLM, Vernal Field Office must be obtained and notification given before resumption of operations.

7. Chronologic drilling progress reports must be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.

Any change in the program must be approved by the BLM, Vernal Field Office. "Sundry Notices and Reports on Wells" (Form BLM 3160-5) must be filed for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Emergency approval may be obtained orally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, will require the filing of a suitable plan pursuant to Onshore Oil & Gas Order No. 1 of 43 CFR 3164.1 and prior approval by the BLM, Vernal Field Office.

In accordance with 43 CFR 3162.4-3, this well must be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.

8. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) will be submitted only when requested by the BLM, Vernal Field Office.

Please submit an electronic copy of all logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM. The cement bond log must be submitted in raster format (TIF, PDF other).

- 9. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the BLM, Vernal Field Office.
 - All measurement points shall be identified as point of sales or allocation for royalty determination prior to the installation of facilities.
- 10. Oil and gas meters will be calibrated in place prior to any deliveries. The Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future

COAs: Page 5 of 6 Well: NBU 1021-18A

meter proving schedules. A copy of the meter calibration reports will be submitted to the BLM, Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement.

- 11. A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- 12. This APD is approved subject to the requirement that, should the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - a. Operator name, address, and telephone number.
 - b. Well name and number.
 - c. Well location (1/41/4, Sec., Twn, Rng, and P.M.).
 - d. Date well was placed in a producing status (date of first production for which royalty will be paid).
 - e. The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - f. The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - g. Unit agreement and / or participating area name and number, if applicable.
 - h. Communitization agreement number, if applicable.
- 13. Any venting or flaring of gas will be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from Field Office Petroleum Engineers.
- 14. All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events as defined in NTL3A, will be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production
- 15. Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day

COAs: Page 6 of 6 Well: NBU 1021-18A

period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.

16. Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

Division of Oil, Gas and Mining OPERATOR CHANGE WORKSHEET

ROUTING
1. DJJ
2 CDW

X Change of Operator (Well Sold)

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:	1/6/2006				
FROM: (Old Operator):	TO: (New O	erator):			
N2115-Westport Oil & Gas Co., LP	N2995-Kerr-McGee Oil & Gas Onshore, LP				
1368 South 1200 East	1368 South 1200 East				
Vernal, UT 84078	Vernal	, UT 84078	3		
Phone: 1-(435) 781-7024	Phone: 1-(435)	781-7024			
CA No.	Unit:	N	ATURAL I	BUTTES	UNIT
WELL NAME SEC TWN RNG	API NO	ENTITY	LEASE	WELL	WELL
l 9,		NO	TYPE	TYPE	STATUS
OPERATOR CHANGES DOCUMENTATION					
Enter date after each listed item is completed					
1. (R649-8-10) Sundry or legal documentation was received from the	FORMER ope	rator on:	5/10/2000	5	
2. (R649-8-10) Sundry or legal documentation was received from the	NEW operator	on:	5/10/2000	5	
3. The new company was checked on the Department of Commerce	e, Division of Co	orporation	s Database	on:	3/7/2006
4a. Is the new operator registered in the State of Utah: YES	Business Numb	er:	1355743-01	81	
4b. If NO , the operator was contacted contacted on:	_			_	
5a. (R649-9-2)Waste Management Plan has been received on:	IN PLACE				
5b. Inspections of LA PA state/fee well sites complete on:	n/a	3 LA well	s & all PA v	vells tran	sferred
5c. Reports current for Production/Disposition & Sundries on:	ok	•			
6. Federal and Indian Lease Wells: The BLM and or the I	BIA has appro	ved the n	nerger, na	me chan	ge,
or operator change for all wells listed on Federal or Indian leases of	on:	BLM	3/27/2000	BIA	not yet
7. Federal and Indian Units:					
The BLM or BIA has approved the successor of unit operator for	r wells listed on:		3/27/2006		
8. Federal and Indian Communization Agreements ("	CA"):				
The BLM or BIA has approved the operator for all wells listed w			n/a		
	ivision has appro		-	isfer of A	uthority to
Inject, for the enhanced/secondary recovery unit/project for the wa	ater disposal wel	ll(s) listed o	on:		
DATA ENTRY:					
1. Changes entered in the Oil and Gas Database on:	5/15/2006				
2. Changes have been entered on the Monthly Operator Change Sp			5/15/2006	_	
3. Bond information entered in RBDMS on:4. Fee/State wells attached to bond in RBDMS on:	5/15/2006	-			
4. Fee/State wells attached to bond in RBDMS on:5. Injection Projects to new operator in RBDMS on:	5/16/2006	-			
6. Receipt of Acceptance of Drilling Procedures for APD/New on:	-	n/a	Name Cha	nge Only	
BOND VERIFICATION:					
Federal well(s) covered by Bond Number:	CO1203				
2. Indian well(s) covered by Bond Number:	RLB0005239	-			
3. (R649-3-1) The NEW operator of any fee well(s) listed covered by		-	RLB000523	36	
a. The FORMER operator has requested a release of liability from the	•	n/a	rider adde		
The Division sent response by letter on:			_		
LEASE INTEREST OWNER NOTIFICATION:		-			
4. (R649-2-10) The FORMER operator of the fee wells has been cont	tacted and inform	ned by a let	tter from the	Division	
of their responsibility to notify all interest owners of this change on		5/16/2006			
COMMENTS:					

4 Form 3 160-5 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0135 Expires Jnovember 30, 2000

					5. Lease Serial No.	
	NOTICES AND REPORTS				MULTIPLE LEASES	
Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.					6. If Indian, Allottee or Tr	ibe Name
SUBMIT IN TRIPLICATE – Other instructions on reverse side			side	7. If Unit or CA/Agreement, Name and/or No.		
I. Type of Well						
	Oil Well X Gas Well Other					
2. Name of Operator		•			MUTIPLE WELL	S
KERR-McGEE OIL & GAS C					9. API Well No.	
3a. Address			Phone No. (include	L		
4. Location of Well (Footage, Sec.,			781-7024		10. Field and Pool, or Explo	oratory Area
4. Location of Well (Fundinge, Sec.,	1., K., M., or Survey Description)].	11 0	
SEE ATTACHED					11. County or Parish, State	
					UINTAH COUNTY, L	JTAH
	ROPRIATE BOX(ES) TO IN	DICA	ATE NATURE C	OF NOTICE, RE	EPORT, OR OTHER DAT	ГА
TYPE OF SUBMISSION			TYP	E OF ACTION		
Notice of Intent	Acidize [D	еереп	Production (Start/Resume) Water S	Shut-Off
Subsequent Report	Alter Casing	=	acture Treat	Reclamation		* ·
Subsequent Report	Casing Repair Change Plans	=	ew Construction ug and Abandon	Recomplete		CHANGE OF
Final Abandonment Notice	Convert to Injection		ug and Abandon ug Back	∏ Temporarily Water Dispose		ATOR
Attach the Bond under which the wor following completion of the involved testing has been completed. Final At determined that the site is ready for fin-	operations. If the operation results bandonment Notices shall be filed	ınan	multiple completion :	or recompletion in	a new interval a Form 2160 4	aball ba Cl_ 4
PLEASE BE ADVISED THAT OPERATOR OF THE ATTAC KERR-McGEE OIL & GAS C	CHED WELL LOCATION	18. 1	EFFECTIVE J	ANUARY 6, 2	2006.	RECEIVED
OF THE LEASE(S) FOR THE	E OPERATIONS COND	UCT	ED UPON I F	ASE LANDS	ROND COVERAGE	MAY 1 0 2006
IS PROVIDED BY STATE O	F UTAH NATIONWIDE I	BON	ID NO. RLB00	05237.	ם באינוסט פיוסט. ת	IV OF OIL GAS & MINING
	ONO = C0/203		AP:	PROVEL	51/6/06	IV. OF OIL, GAS & MININO
BIA B	OND = RLB 000	50	239 (arlene,	Russell	
14. I hereby certify that the foregoing	g is true and correct		Divis	lon of Oll, C	as and Mining	
Name (Printed/Typed)		Tit			ingineering Technicia	u .
RANDY BAYNE		 	RILLING MANA	AGER		
Kanky Sayne		Da Ma	y 9, 2006			
	THIS SPACE F	OR F	EDERAL OR ST	ATE USE		
Approved by			Title		Date	
Conditions of approval, if any, are attached certify that the applicant holds legal or equit which would entitle the applicant to conduct	table title to those rights in the subject	rant or t lease	Office	248.4		

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Form 3 160-5 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

FORM APPROVED OMB No. 1004-0135 Expires Jnovember 30, 2000

5. Lease Serial No.

MULTIPLE LEASES

SUNDRY NOTICES AND REPORTS ON WELLS

abandoned well.	6. If Indian, Allottee or Tribe	Varne			
SUBMIT IN TRIPL	ICATE – Other instru	ctions on rev	erse side	7. If Unit or CA/Agreement, N	ame and/or No.
I. Type of Well					
Oil Well X Gas Well	Other .			8. Well Name and No.	
2. Name of Operator				MUTIPLE WELLS	
WESTPORT OIL & GAS CO	MPANY L.P.			9. API Well No.	
3a. Address		3b. Phone No.	include area code)		
	368 SOUTH 1200 EAST VERNAL, UT 84078 (435) 781-7024				
4. Location of Well (Footage, Sec.,	T., R., M., or Survey Description	n)			
055 47740450				11. County or Parish, State	
SEE ATTACHED				UINTAH COUNTY, UTA	н
12. CHECK APP	ROPRIATE BOX(ES) TO I	NDICATE NAT	URE OF NOTICE	E, REPORT, OR OTHER DATA	
TYPE OF SUBMISSION			TYPE OF ACT	ION	
Notice of Intent	Acidize	Deepen	Produc	tion (Start/Resume)	Off
_	Alter Casing	Fracture Trea	_	· · · · · · · · · · · · · · · · · · ·	
X Subsequent Report	Casing Repair	New Construe		plete 👿 Other CHA	•
Final Abandonment Notice	Change Plans Convert to Injection	Plug and Aba	= '	rarily Abandon OPERATO	R
13. Describe Proposed or Completed Oper	· – ·	Plug Back		Disposal	
ronowing completion of the myoryed	perations. If the operation result bandonment Notices shall be filed at inspection. DO6, WESTPORT OIL & THE ATTACHED WELL	is in a multiple com I only after all requ GGAS COMPA LOCATIONS	pletion or recompleti rements, including r ANY L.P., HAS TO KERR-Mc	GEE OIL & GAS	1 L. CI_1
	APPR	OVED 3	5/6/06	RECEI	√ED
	$\mathcal{L}a$	rlove Ri	issell		
	Division	of Oil, Gas an	d Mining	MAY 1 0	2006
	Dariene F	cussell, Engine	ering Technic	lan DIV OF OU OAS	0 *****
14. I hereby certify that the foregoing	s is true and correct			DIV OF OIL GAS	* MINING
Name (Printed/Typed)		Title			
BRAD LANEY Signature			ING SPECIAL	IST	
orginature .		Date May 9, 2006	3		-
	THIS SPACE	FOR FEDERAL			
Approved by		Title		Date	
Olack January				5-9-06	
Conditions of approval, if any, are attacked certify that the applicant holds legated equit which would entitle the applicant to conduct	able title to those rights in the subje	arrant or Office			
Title 18 U.S.C. Section 1001, make false, fictitious or fraudulent statemer	it a crime for any person know	vingly and willfull matter within its ju	y to make to any durisdiction.	lepartment or agency of the United S	lates any



United States Department of the Interior

BUREAU OF LAND MANAGEMENT Colorado State Office 2850 Youngfield Street Lakewood, Colorado 80215-7076

IN REPLY REFER TO:

CO922 (MM) 3106 COC017387 et. al.

March 23, 2006

NOTICE

Kerr-McGee Oil & Gas Onshore L.P. 1999 Broadway, Suite 3700 Denver, CO 80202

Oil & Gas

Merger/Name Change - Recognized

On February 28, 2006 this office received acceptable evidence of the following mergers and name conversion:

Kerr-McGee Oil & Gas Onshore L.P., a Delaware Limited Partnership, and Kerr-McGee Oil & Gas Onshore LLC, a Delaware Limited Partnership merger with and into Westport Oil and Gas Company L.P., a Delaware Limited Partnership, and subsequent Westport Oil & Gas Company L.P. name conversion to Kerr-McGee Oil & Gas Onshore L.P.

For our purposes the merger and name conversion was effective January 4, 2006, the date the Secretary of State of Delaware authenticated the mergers and name conversion.

Kerr-McGee Oil & Gas Onshore L.P. provided a list of oil and gas leases held by the merging parties with the request that the Bureau of Land Management change all their lease records from the named entities to the new entity, Kerr-McGee Oil & Gas Onshore L.P. In response to this request each state is asked to retrieve their own list of leases in the names of these entities from the Bureau of Land Management's (BLM) automated LR2000 data base.

The oil and gas lease files identified on the list provided by Kerr-McGee Oil & Gas Onshore L.P. have been updated as to the merger and name conversion. We have not abstracted the lease files to determine if the entities affected by the acceptance of these documents holds an interest in the lease, nor have we attempt to identify leases where the entity is the operator on the ground that maintains vested record title or operating rights interests. If additional documentation, for change of operator, is required you will be contacted directly by the appropriate Field Office. The Mineral Management Services (MMS) and other applicable BLM offices were notified of the merger with a copy of this notice

Please contact this office if you identify additional leases where the merging party maintains an interest, under our jurisdiction, and we will document the case files with a copy of this notice. If the leases are under the jurisdiction of another State Office that information will be forwarded to them for their action.

Three riders accompanied the merger/name conversion documents which will add Kerr-McGee Oil and Gas Onshore LLC as a principal to the 3 Kerr-McGee bonds maintained by the Wyoming State Office. These riders will be forward to them for their acceptance.

The Nationwide Oil & Gas Continental Casualty Company Bond #158626364 (BLM Bond #CO1203), maintained by the Colorado State Office, will remain in full force and effect until an assumption rider is accepted by the Wyoming State Office that conditions their Nationwide Safeco bond to accept all outstanding liability on the oil and gas leases attached to the Colorado bond.

If you have questions about this action you may call me at 303,239,3768.

/s/Martha L. Maxwell Martha L. Maxwell Land Law Examiner Fluid Minerals Adjudication

Attachment:

List of OG Leases to each of the following offices:
MMS MRM, MS 357B-1
WY, UT, NM/OK/TX, MT/ND, WY State Offices
CO Field Offices
Wyoming State Office
Rider #1 to Bond WY2357

Rider #1 to Bond WY2357 Rider #2 to Bond WY1865 Rider #3 to Bond WY1127



United States Department of the Interior



BUREAU OF LAND MANAGEMENT Utah State Office P.O. Box 45155 Salt Lake City, UT 84145-0155 http://www.blm.gov

IN REPLY REFER TO: 3106 (UT-922)

March 27, 2006

Memorandum

To:

Vernal Field Office

From:

Chief, Branch of Fluid Minerals

Subject:

Merger Approval

Attached is an approved copy of the merger recognized by the Bureau of Land Management, Colorado State Office. We have updated our records to reflect the merger from Westport Oil and Gas Company L.P. into Kerr-McGee Onshore Oil and Gas Company. The merger was approved effective January 4, 2006.

Chief, Branch of Fluid Minerals

Enclosure

Approval letter from BLM COSO (2 pp)

cc:

MMS, Reference Data Branch, James Sykes, PO Box 25165, Denver CO 80225

State of Utah, DOGM, Attn: Earlene Russell, PO Box 145801, SLC UT 84114

Teresa Thompson

Joe Incardine

Connie Seare

Dave Mascarenas

Susan Bauman

MAR 2 8 2006

TOLOFOL, CAO 2 LINE D

STATE OF UTAH

DIVISION OF OIL, GAS AND MINING					TION AND SERIAL NUMBER:
SUNDRY	NOTICES AND REPORTS	S ON WELI	_S	6. IF INDIAN, ALLOT	TEE OR TRIBE NAME:
	ew wells, significantly deepen existing wells below cur terals. Use APPLICATION FOR PERMIT TO DRILL fo			7. UNIT OF CA AGRE NATURAL E	BUTTES
1. TYPE OF WELL OIL WELL	GAS WELL OTHER_			8. WELL NAME and NBU 1021-1	
2. NAME OF OPERATOR:				9. API NUMBER:	
KERR MCGEE OIL AND C	GAS ONSHORE, LP		PHONE NUMBER:	4304737431	
	VERNAL STATE UT ZIP		(435) 781-7003	NATURAL E	
4. LOCATION OF WELL FOOTAGES AT SURFACE: 489' FI				COUNTY: UINT	AH
QTR/QTR, SECTION, TOWNSHIP, RAN	ge, meridian: NENE 18 10S 2	:1E		STATE:	UTAH
11. CHECK APPE	ROPRIATE BOXES TO INDICAT	E NATURE (OF NOTICE, REPO	RT, OR OTHE	R DATA
TYPE OF SUBMISSION		TY	PE OF ACTION		
NOTICE OF INTENT	ACIDIZE	DEEPEN		REPERFOR	ATE CURRENT FORMATION
(Submit in Duplicate)	ALTER CASING	FRACTURE		_	TO REPAIR WELL
Approximate date work will start:	CASING REPAIR	☐ NEW CONST			ILY ABANDON
	CHANGE TO PREVIOUS PLANS	OPERATOR		TUBING RE	
	CHANGE TUBING	PLUG AND A	BANDON	U VENT OR F	
SUBSEQUENT REPORT (Submit Original Form Only)	CHANGE WELL NAME	☐ PLUG BACK		WATER DIS	
Date of work completion:	CHANGE WELL STATUS		N (START/RESUME)	WATER SH	
	COMMINGLE PRODUCING FORMATIONS	=	ON OF WELL SITE		PD EXTENSION OGM
	CONVERT WELL TYPE	<u> </u>	E - DIFFERENT FORMATION		
THE OPERATOR REQUE LOCATION SO THAT THI	ESTS AUTHORIZATION FOR A CE DRILLING OPERATIONS MAY ISION OF OIL, GAS AND MININ Approved by the Utah Division of Oil, Gas and Minin	ONE YEAR E (BE COMPLI G ON JANUR DE DE	XTENSION FOR TI	HE SUBJECT	
				ľ ď	The state of the s
	Data: 17-17-F	10 A			A Grand Specific of the State o
	Date: 1 C-C-t-C				DEC 2 6 2006
	By: fracley	The	voyr / Stadi Sociae Gertoles	2-29-06-1V. (DÉ OIL, GAS & MINING
NAME (PLEASE PRINT) RAMEY H	OOPES	TITLE	REGULATORY	CLERK	
NAME (PLEASE PRINT)	1 toma 1			1	
SIGNATURE VVIII		DATE	12/6/2006		

(This space for State use only)

Application for Permit to Drill Request for Permit Extension Validation (this form should accompany the Sundry Notice requesting permit extension)

API:

Well Name:

4304737431

NBU 1021-18A

Location: NENE, SEC 18-T10 Company Permit Issued to: Date Original Permit Issued:	KERR MCGEE OIL AND GAS ONSHORE I	LP
above, hereby verifies that the	n legal rights to drill on the property as information as submitted in the previo mains valid and does not require revis	usly
Following is a checklist of some verified.	e items related to the application, whic	ch should be
If located on private land, has tagreement been updated? Yes	he ownership changed, if so, has the s □ No ☑	surface
	the vicinity of the proposed well which ents for this location? Yes⊡No☑	would affect
Has there been any unit or other permitting or operation of this p	er agreements put in place that could a proposed well? Yes□No☑	affect the
	to the access route including ownersh proposed location? Yes□No ☑	nip, or right-
Has the approved source of wa	ater for drilling changed? Yes□No☑	
Have there been any physical which will require a change in pevaluation? Yes□No☑	changes to the surface location or accordans from what was discussed at the	ess route onsite
Is bonding still in place, which	covers this proposed well? Yes⊠NoE	-
Ramus Opes	12/6/2006 Date	
Title: REGULATORY CLERK		
Representing: Kerr McGee Oil a	nd Gas Onshore LP	RECEIVED
-		DEC 2 6 2006
	Dii.	10000

Form 3 160-5 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0135 Expires Jnovember 30, 2000

6. If Indian, Allottee or Tribe Name

SUNDRY NOTICES AND REPORTS ON WELLS

FEB 13 2007

Do not use this form for proposals to drill or reenter an

5. Lease Serial No. UTU-02270-A

abandoned wel	I. Use Form 3160-3 (APD)	for such proposities	RNAL LIT	ÀH		
SUBMIT IN TRIPLICATE - Other instructions on reverse sid				7. If Unit or CA/Agreement, Name and/or No. NATURAL BUTTES UNIT		
1. Type of Well Oil Well X Gas Well 2. Name of Operator KERR McGEE OIL AND GAS	ONSHORE LP			8. Well Name NBU 1021-1	18A	
3a. Address	ONSHUKE LP	3b. Phone No. (include	area code)	430473743		
1368 SOUTH 1200 EAST VEF		435-781-7003			ool, or Exploratory Area	
4. Location of Well (Footage, Sec., T., 489' FNL 599' FEL	R., M., or Survey Description)			NATURAL E		
NENE, SEC 18-T10S-R21E				UINTAH, U	,	
12. CHECK	APPROPRIATE BOX(ES) TO	O INDICATE NATURE	OF NOTICE, R	EPORT, OR OT	HER DATA	
TYPE OF SUBMISSION		TY	PE OF ACTION	1		
Notice of Intent Subsequent Report Final Abandonment Notice	Acidize Alter Casing Casing Repair Change Plans Convert to Injection	Deepen Fracture Treat New Construction Plug and Abandon Plug Back	Reclamation	e y Abandon	Water Shut-Off Well Integrity Other APD EXTENSIO	
13. Describe Proposed or Completed Ope If the proposal is to deepen directions Attach the Bond under which the wo following completion of the involved testing has been completed. Final A determined that the site is ready for fire	ally or recomplete horizontally, g ork will be performed or provide operations. If the operation resultandonment Notices shall be file	tive subsurface locations and the Bond No. on file with olts in a multiple completion	id measured and tr BLM/BIA. Requon or recompletion	ue vertical depths ired subsequent re in a new interval,	of all pertinent markers and zones. ports shall be filed within 30 days a Form 3160-4 shall be filed once	
THE OPERATOR REQUESTS						
LOCATION SO THAT THE DE				GINAL APD \	WAS	
APPROVED BY THE BUREAU	J OF LAND MANAGEMI	ENT ON MARCH 17	, 2000.	ļ	RECEIVED	
					MAR 1 9 2007	
				DIV.	OF OIL, GAS & MINING	
14. I hereby certify that the foregoing is	true and correct					
Name (<i>Printed/Typed</i>)	une and correct	Title				

Conditions of approval, if my are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any s or fraudulent statements or representations as to any matter within its jurisdiction.

Date

THIS SPACE FOR FEDERAL OR STATE USE

Office

RAMEY HOOPES

Signature

Approved by

Petroleum Engineer

REGULATORY CLERK

FEBURARY 8, 2007

FEB 2 6 2007

Application for Permit to Drill Request for Permit Extension Validation (this form should accompany the Sundry Notice requesting permit extension)

API: 4304737431 Well Name: NBU 1021-18A Location: NENE, SEC 21-T10S-R21E Company Permit Issued to: KERR MCGEE OIL AND GAS ONSHORE LP Date Original Permit Issued: 3/17/2006
The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.
Following is a checklist of some items related to the application, which should be verified.
If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes □ No ☑
Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☑
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes□No☑
Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes□No ☑
Has the approved source of water for drilling changed? Yes□Noা
Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes□No☑
Is bonding still in place, which covers this proposed well? Yes ☑No□
Ramus Date 2/8/2007 Date
Title: Regulatory Clerk
Representing: Kerr McGee Oil & Gas Onshore LP

CONDITIONS OF APPROVAL

Kerr McGee Oil and Gas Onshore LP.

Notice of Intent APD Extension

Lease:

UTU-02270-A NBU 1021-18A

Well: Location:

NENE Sec 18-T10S-R21E

An extension for the referenced APD is granted with the following conditions:

- 1. The extension and APD shall expire on 3/17/08.
- 2. No other extension shall be granted.

If you have any other questions concerning this matter, please contact Ryan Angus of this office at (435) 781-4430

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Con	mpany:	KERR-McGEE OIL & GAS ONSHORE, LP						
Well Name:		N	BU 1021	1-18A				
Api No <u>:</u>	43-047-37	431		L	ease Type	: <u>FED -</u>	- ST SURFAC	<u>E</u>
Section 18	Township	10S	_Range_	21E	County	UI	NTAH	
Drilling Cor	ntractor	PETE	MART	IN DRI	.G	_RIG #	RATHOLE	
SPUDDE	D: Date Time How	11:00	AM					
Drilling wi	ill Commer	nce:						
Reported by	_	LO	U WEL	DON				
Telephone#		(43	<u>5) 828-7</u>	7035				
Date	09/19/07		Sigi	ned	CHD			

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

	ENTITY ACTION	FORM					
R McGEE OIL & GAS O	NSHORE LP	Ona	rator Ac	count No	mher N	₁ 2995	
	Ope	ialui AC	Journ MU		·		
	-in 84078		D	hono Nu	mbor: (435) 781-7024	
	ZID O 10.0		Г	HOHE MU	ilibei. <u> </u>		
				-	II		
	Name					County UINTAH	
	T						
Current Entity Number	New Entity Number	S	pud Dat	(e 		ity Assignment ffective Date	
99999	2900	9	9/18/200	7	9	125/01	
Wel	Name	QQ	Sec	Twp	Rng	County	
Current Entity Number	New Entity Number	s	pud Dat	e	Entity Assignment Effective Date		
l Wal	Name	ဝဝ	Sec	Twp	Rng	County	
Wel	Name	QQ	Sec	Twp	Rng	County	
Current Entity Number	Name New Entity Number		Sec pud Da		Ent	County ity Assignment iffective Date	
-	NBU 1021-18A Current Entity Number 99999 RU PETE MARTIN BUCK PUD WELL LOCATION OF	Well Name NBU 1021-18A Current Entity Number 99999 RU PETE MARTIN BUCKET RIG. LUSTY PUD WELL LOCATION ON 09/18/2007 AT 1100 F	Well Name QQ NENE	Well Name QQ Sec	New Entity New Entity Spud Date	Well Name QQ Sec Twp Rng	

(5/2000)

HECFIVED SEP 1 9 2007

Form 3 160-5 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0135 Expires Inovember 30, 2000

5. Lease Serial No.

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

UTU-02270-A

6. If Indian, Allottee or Tribe Name

abandoned well.	. Use Form 3160-3 (APD) tor such proposals.				
SUBMIT IN TRIPL	7. If Unit or CA/Agreement, Name and/or No. UNIT #891008900A NATURAL BUTTES UNIT 8. Well Name and No. NBU 1021-18A					
Type of Well Oil Well Mame of Operator						
KERR-McGEE OIL & GAS ON	SHORE LP	3b. Phone No. (include	area code)	9. API Well No.	•	
1368 SOUTH 1200 EAST VEI 4. Location of Well (Footage, Sec., T., I		(435) 781-7024		10. Field and Pool, or Exploratory Area NATURAL BUTTES		
NE/NE SEC. 18, T10S, R21E		11. County or P	arish, State			
12. CHECK A	APPROPRIATE BOX(ES) T	O INDICATE NATURE	OF NOTICE, R	EPORT, OR OTH	ER DATA	
TYPE OF SUBMISSION		TY	PE OF ACTIO	N		
Notice of Intent Subsequent Report Final Abandonment Notice	Acidize Alter Casing Casing Repair Change Plans Convert to Injection	Deepen Fracture Treat New Construction Plug and Abandon Plug Back	Reclamat	ete rily Abandon	Water Shut-Off Well Integrity Other WELL SPUD	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

MIRU PETE MARTIN BUCKET RIG. DRILLED 20" CONDUCTOR HOLE TO 40'. RAN 14" 36.7# SCHEDULE 10 PIPE. CMT W/28 SX READY MIX.

SPUD WELL LOCATION ON 09/18/2007 AT 1100 HRS.

RECEIVED SEP 2 5 2007

		DIV. OF OIL, GAS & MINING							
14. I hereby certify that the foregoing is true and correct		or or oral and a mining							
	Title SENIOR LAND AD	MIN SPECIALIST							
	Date September 19, 2007								
THIS SPACE FOR FEDERAL OR STATE USE									
Approved by	Title	Date							
Conditions of approval, if any, are attached. Approval of this notice does not warrar certify that the applicant holds legal or equitable title to those rights in the subject I which would entitle the applicant to conduct operations thereon.	lease								
Title 18 U.S.C. Section 1001, make it a crime for any person knowing false, fictitious or fraudulent statements or representations as to any materials.	gly and willfully to m tter within its jurisdict	ake to any department or agency of the United States any ion.							



UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0135 Expires Inovember 30, 2000

5. Lease Serial No.

SUNDRY Do not use this		JTU-0227 6. If Indian,	0-A Allottee or Tribe Name							
abandoned well.										
SUBMIT IN TRIPL]ı	7. If Unit or CA/Agreement, Name and/or No. UNIT #891008900A NATURAL BUTTES UNIT								
Oil Well X Gas Well	Other_					8. Well Nam	e and No.			
2. Name of Operator						NBU 102	21-18A			
KERR-McGEE OIL & GAS	ONSHORE LP					9. API Well	No.			
3a. Address		3b. Ph	one No. (includ	le area coa	de)	43047374	31			
1368 SOUTH 1200 EAST \	/ERNAL, UT 84078	(435)	781-7024		1	0. Field and	Pool, or Exploratory Area			
4. Location of Well (Footage, Sec., 2	f., R., M., or Survey Description	n)			1	NATURAL	BUTTES			
					1	1. County or	Parish, State			
NE/NE SEC. 18, T10S, R21	E 489'FNL, 599'FEL			··· -	l	JINTAH C	OUNTY, UTAH			
12. CHECK APP	ROPRIATE BOX(ES) TO I	NDICAT	E NATURE	OF NOT	ICE, RE	PORT, OR (OTHER DATA			
TYPE OF SUBMISSION			TYI	PE OF A	CTION					
Notice of Intent	Acidize Alter Casing	=	ture Treat	Rec	lamation	-				
Subsequent Report	Casing Repair Change Plans	=	Construction and Abandon	=	complete	ily Abandon OPERATIONS				
Final Abandonment Notice	Convert to Injection		Back	_	ter Dispos					
If the proposal is to deepen directions Attach the Bond under which the wo following completion of the involved testing has been completed. Final A determined that the site is ready for fin	rk will be performed or provide to operations. If the operation resul- bandonment Notices shall be file	the Bond N lts in a mu	No. on file with Uniple completion	BLM/BIA. n or recom	. Require pletion in	d subsequent r a new interval	eports shall be filed within 30 I, a Form 3160-4 shall be filed	days once		
FINISHED DRILLING FROM	/I 2160' TO 9635' ON 1	0/17/20	07. RAN 4	4 1/2" 1 ⁻	1.6# I-8	30 PRODU	JCTION CSG.			
LEAD CMT W/385 SX PRE										
@14.3 PPG 1.31 YIELD. DF										
OVER FINAL CIRC PSI OF	2750 PLUG HELD HA	D FULL	RETURN	S GOT	BACK	80 BBLS	CMT 50 BBL			
OF GOOD LEAD CMT SET	CSG HANGER W/88k	< & L/D	LANDING	JT. WA	ASH AN	ID CLEAN	"RECEIVED			
RELEASED ENSIGN RIG 8	3 ON 10/18/2007 AT 0	900 HF	RS.				OCT 2 4 2007	•		
						1	DIV. OF OIL, GAS & MIN	ING		
14. I hereby certify that the foregoing	is true and correct									
Name (Printed Typed)		Title) ADMIN	N SDE	TRUME				
SHEILA UPCHEGO SENIOR LAND ADMIN S										
11 WIN MINIMUM October 22, 2007										
7	TAIS SPACE	E FOR F	DERAL OR S	STATE U	SE					
Approved by			Title			Date				
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.										
Title 18 U.S.C. Section 1001, make	it a crime for any person kno	owingly a	nd willfully to	make to	any depa	rtment or age	ncy of the United States ar	iy		

false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

orm 3 160-5 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

FORM APPROVED OMB No. 1004-0135 Expires Inovember 30, 2000

5. Lease Serial No.

SUNDRY I		UTU 02270-A 6. If Indian, Allottee or Tribe Name						
	form for proposals to Use Form 3160-3 (APD)					6. If Indian, A	llottee or Tribe Name	
	CATE – Other instruc				•	7. If Unit or CA/Agreement, Name and/or No. UNIT 891008900A NATURAL BUTTES UNIT 8. Well Name and No. NBU 1021-18A 9. API Well No.		
3a. Address		3b. Phone No	o. (include	area		430473743	<u></u>	
1368 SOUTH 1200 EAST VI		435-781-70	003				ool, or Exploratory Area	
4. Location of Well (Footage, Sec., 489'FNL-599'FEL NENE SEC 18-T10S-R21E	I., R., M., or Survey Description					NATURAL 11. County or I UINTAH CO		
12. CHECK APP	ROPRIATE BOX(ES) TO II	NDICATE NA	ATURE O	F NO	OTICE, RI	EPORT, OR O	THER DATA	
TYPE OF SUBMISSION			TYPI	E OF	ACTION			
Notice of Intent✓ Subsequent Report☐ Final Abandonment Notice	Alter Casing Fracture Treat Reclam Casing Repair New Construction Recomp Change Plans Plug and Abandon Tempor						Water Shut-Off Well Integrity Other SET SURFACE CASING	
If the proposal is to deepen directions Attach the Bond under which the wo following completion of the involved testing has been completed. Final A determined that the site is ready for fin	rk will be performed or provide the operations. If the operation resultandonment Notices shall be filed at inspection.	he Bond No. on ts in a multiple of it only after all r	file with B completion equirement	BLM/B or rec s, incl	IA. Require completion in uding recla	red subsequent rej in a new interval, mation, have been	ports shall be filed within 30 days a Form 3160-4 shall be filed once in completed, and the operator has	
MIRU BILL MARTIN AIR RIG 32.3# H-40, AND 2 JTS OF TAILED W/150 SX PREM C G @ 15.8 1.15 YLD. DOWN BACKSIDE. 3RD TOP OUT GOOD CMT TO SURFACE	36# J-55 SURFACE CS LASS G @ 15.8 PPG 1 BACKSIDE. 2ND TOF W/150 SX OF PREM (SG. LEAD C .15 YLD. D W/125 SX CLASS G @	OMT W/3 OWN E OF PR 15.8 P	300 BACI EM	SX PRE KSIDE. CLASS	M CLASS O TOP OUT V G @ 15.8 P D. DOWN I	© @ 15.8 PPG 1.15 YLD. N/125 SX PREM CLASS PG 1.15 YLD. DOWN	
						*	OCT 2 4 2007	
						1	DIV. OF OIL, GAS & MINING	
	g is true and correct JPCHEGO	Title	S	ENIC	OR LAN	D ADMIN S		
Signature		Date			Septe	ember 26, 20	007	
	THIS SPACE	FOR FEDER	AL OR S	TATE	USE			
Approved by		Title	e			Date		
Conditions of approval, if any, are attached certify that the applicant holds legal or equ which would entitle the applicant to conduct								
Title 18 U.S.C. Section 1001, make	it a crime for any person kno	wingly and wi	llfully to r	nake	to any dep	partment or agen	cy of the United States any	

false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Form 3 160-5 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0135 Expires Jnovember 30, 2000

5. Lease Serial No.

UTU-02270-A

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this abandoned well.	6. If Indian, Allottee or Tribe Name							
SUBMIT IN TRIPL	7. If Unit or CA/Agreement, Name and/or No. UNIT #891008900A							
1. Type of Well	F-3				NATURAL BUTTES UNIT			
Oil Well Gas Well 2. Name of Operator	Other Other				8. Well Name and No.			
- viamo di operato.					NBU 1021-18A			
KERR-McGEE OIL & GAS (ONSHORE LP				9. API Well No.			
71001000	/FD141 1/7 0 (07)		hone No. (includ	le area code)	4304737431			
4. Location of Well (Footage, Sec., 2			781-7024		10. Field and Pool, or Exploratory Area			
4. Location of Well (Foolage, Sec.,	t., к., м., or survey Descriptioi	1)			NATURAL BUTTES			
NE/NE SEC. 18, T10S, R21	E 489'FNL, 599'FEL				11. County or Parish, State UINTAH COUNTY, UTAH			
12. CHECK APP	ROPRIATE BOX(ES) TO I	NDICA	TE NATURE	OF NOTICE,	REPORT, OR OTHER DATA			
TYPE OF SUBMISSION		-	TY	PE OF ACTIO	N			
Notice of Intent Subsequent Report	Acidize Alter Casing Casing Repair	Fra	epen cture Treat v Construction	Reclamati				
Z cassedactor report	Change Plans		g and Abandon	Recomple	other PRODUCTION START-UP			
Final Abandonment Notice	Convert to Injection		g Back	☐ Water Dis				
testing has been completed. Final Aldetermined that the site is ready for fin. THE SUBJECT WELL LOCA PLEASE REFER TO THE A	nandonment Notices shall be filed all inspection. ATION WAS PLACED	only aft	er all requiremen	nts, including rec N ON 12/13.	in a new interval, a Form 3160-4 shall be filed once amation, have been completed, and the operator has Z2007 AT 12:10 PM. RECEIVED DEC 2 4 2007			
					DIV. OF OIL, GAS & MINING			
14. I hereby certify that the foregoing Name (Printed/Typed) SHEILA UPCHEGO Signature	is true and correct	Date	NOR LAND	ADMIN SP	ECIALIST			
<i>y</i> 7°	THIS SPACE	FOR F	EDERAL OR S	TATE USE				
Approved by		-	Title		Date			
Conditions of approval, if any, are attached certify that the applicant holds legal or equi which would entitle the applicant to conduct	able title to those rights in the subj operations thereon.	ect lease	Office					
Title 18 U.S.C. Section 1001, make	it a crime for any person know	wingly a	nd willfully to	make to any de	partment or agency of the United States any			

false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



Anadarko Petroleum Corporation 1368 S. 1200 East Vernal, UT 84078

CHRONOLOGICAL WELL HISTORY

<u>NBU 1021-18A</u> NENE, SEC. 18, T10S, R21E UINTAH COUNTY, UT

DATE 08/28/07	ACTIVITY LOCATION STARTED	STATUS ENSIGN 83	
09/18/07	LOCATION COMPLETED SET CONDUCTOR	ENSIGN 83 P/L IN, WOE WOAR	R
09/21/07	SET AIR RIG	ENSIGN 83 DRILL	
09/25/07	9 5/8" @2093'	ENSIGN 83 WORT	
10/01/07	TD: 2160' Csg. 9 5/8" @ 2093' Move rig f/ NBU 1022-14L. 100% move	MW: 8.4 SD: 10/XX/07 ed. Damaged sub on move. Rig on re	DSS: 0 pair @ report time.
10/02/07	TD: 2160' Csg. 9 5/8" @ 2093' Repair damaged sub. Rig on repair @	MW: 8.4 SD: 10/XX/07 report time.	DSS: 0
10/03/07	TD: 2160' Csg. 9 5/8" @ 2093' Finish repair to damaged sub. Will load		DSS: 0
10/04/07	TD: 2160' Csg. 9 5/8" @ 2093' Load out sub and spot rig. RURT.	MW: 8.4 SD: 10/XX/07	DSS: 0
10/05/07	TD: 2160' Csg. 9 5/8" @ 2093' RURT. NU and test BOPE. PUDS. Re		DSS: 0 E.
10/08/07	TD: 6225' Csg. 9 5/8" @ 2093' Drill FE. Rotary spud @ 0900 hrs 10/5/	MW: 8.4 SD: 10/5/07 /07. Drill from 2160'-6225'. DA.	DSS: 3
10/09/07	TD: 6672' Csg. 9 5/8" @ 2093' Drill from 6225'-6564'. TFNB and work	MW: 10.0 SD: 10/5/07 tight hole @ 3261'. Drill to 6672'. DA	DSS: 4
10/10/07	TD: 7375' Csg. 9 5/8" @ 2093' Drill from 6672'-7375'. DA.	MW: 10.5 SD: 10/5/07	DSS: 5
10/11/07	TD: 7975' Csg. 9 5/8" @ 2093' Drill from 7375'-7975'. DA.	MW: 11.1 SD: 10/5/07	DSS: 6
10/12/07	TD: 8319' Csg. 9 5/8" @ 2093' Drill from 7975'-8319'. TFNB @ report	MW: 11.3 SD: 10/5/07 time.	DSS: 7
10/15/07	TD: 9170' Csg. 9 5/8" @ 2093' TFNB. Change out MM. TIH to 4435'. establish returns. Stage in hole and dri	MW: 11.4 SD: 10/5/07 Hole would not circulate. Pull up to ca ill from 8319'-8988'. TFNB. Drill to 91'	DSS: 10 asing shoe and 70'. DA.

10/16/07 TD: 9550' Csg. 9 5/8" @ 2093' MW: 11.7 SD: 10/5/07 DSS: 11 Drill from 9170'-9191'. TFNB. Drill to 9550'. DA.

Dim non 3170-3131. Trive. Dim to 3030. DA.

10/17/07 TD: 9635' Csg. 9 5/8" @ 2093' MW: 11.8 SD: 10/5/07 DSS: 12 Drill from 9550'-9635' TD. Short trip and POOH for logs. Run Triple Combo. TIH and CCH for casing. LDDS @ report time.

10/18/07 TD: 9635' Csg. 9 5/8" @ 2093' MW: 11.8 SD: 10/5/07 DSS: 13 LDDS. Run and cement 4 ½" Production Casing. Land casing @ report time.

10/19/07 TD: 9635' Csg. 9 5/8" @ 2093' MW: 11.8 SD: 10/5/07 DSS: 14 Land casing and release rig @ 0900 hrs 10/18/07. RDRT. Will move to NBU 1021-16L this am.

12/05/07 Perf & Frac

Days On Completion: 1

Remarks: 7:00 A.M. HSM MIRU CUTTERS. P/U PERF GUNS & RIH. SHOOT 12 HOLES F/9318' - 21', P/U SHOOT 12 HOLES F/9252' - 55', P/U SHOOT 8 HOLES F/9158' - 60', P/U SHOOT 12 HOLES F/9068' - 71'. POOH. WAIT ON WEATHERFORD. ALL STAGES EXCEPT STG 7 SHOT W/ 3 3/8" PERF GUNS LOADED W/ 23 GM CHARGES. 3 & 4 SPF, 90 & 120 DEG PHASING. STG 7 SHOT W/ 3 1/8" PORTED PERF GUNS LOADED W/ 12 GM CHARGES. 4 SPF, 90 DEG PHASING. ALL STAGES TREATED W/ NALCO DVE-005 SCALE INHIB, 3 GPT IN PAD & 1/2 RAMP. 10 GPT IN FLUSH. ALL STAGES TREATED W/ NALCO BIOCIDE .5 GPT. ALL STAGES TREATED W/ 30/50 SAND W/ ZETA FLOW IN ALL SAND LADEN FLUID. 2.25 GPT IN 1ST RAMP, 9.75 GPT IN 2ND RAMP. ALL CBP'S ARE 4 1/2" BAKER 8K. WEATHERFORD ON LOC @ 11:00 A.M. MIRU WEATHERFORD. FILL & PSI TST LINES TO 8500# (HELD). PREP TO FRAC.

STG 1: BRK DWN PERF'S @ 4059#, EST INJ RT @ 51.9 BPM @ 5400#, ISIP 3170#, FG .78, TREAT STG 1 W/ 53,150# SAND W/ SLK WTR. TOT CL FL 1631 BBLS. ISIP 3285#, NPI 115#, FG .79

STG 2: P/U 3 3/8" PERF GUNS & 4 1/2" BAK 8K CBP & RIH. SET CBP @ 8932', P/U SHOOT 40 HOLES F/ 8892' - 8902'. POOH. BRK DWN PERF'S @ 5789#, EST INJ RT @ 40.4 BPM @ 4200#, ISIP 2671#, FG .74, TREAT STG 2 W/ 43500# SAND W/ SLK WTR. TOT CL FL 1241 BBLS. ISIP 2839#, NPI 168#, FG .76.

STG 3: P/U 3 3/8" PERF GUNS & 4 1/2" CBP & RIH. SET CBP @ 8095'. P/U SHOOT 20 HOLES F/ 8053' - 58', P/U SHOOT 12 HOLES F/ 8014' - 18' (3 SPF). P/U SHOOT 12 HOLES F/ 7949' - 52'.

12/06/07 Perf & Frac

Days On Completion: 2

Remarks: 7:00 a.m. HSM CONT TO FRAC. (BEGIN PMP @ 8:20 A.M.)

STG 3: BRK DWN PERF'S @ 2233#, EST INJ RT @ 49.9 BPM @ 4200#, ISIP 1681#, FG .;65, TREAT STG 3 W/ 76,000# SAND W/ SLK WTR. TOT CL FL 2048 BBLS. ISIP 2968#, NPI 1287#, FG .81

STG 4: P/U 3 3/8" PERF GUNS & 4 1/2" CBP & RIH. SET CBP @ 7885'. P/U SHOOT 16 HOLES F/ 7844' - 7848'. P/U SHOOT 20 HOLES F/ 7743' - 48'. POOH. BRK DWN PERF'S @ 3861#, EST INJ RT @ 40.2 BPM @ 4500#, ISIP 1920#, FG .68, TREAT STG 4 W/ 34,300# SAND W/ SLK WTR. TOT CL FL 1002 BBLS. ISIP 3117#, NPI 1197#, FG .84

STG 5: P/U 3 3/8" PERF GUNS & 4 1/2" CBP & RIH. SET CBP @ 7123', P/U SHOOT 24 HOLES F/ 7087' - 93', P/U SHOOT 16 HOLES F/ 6933' - 37'. POOH. BRK DWN PERF'S @

2107#, EST INJ RT @ 49.2 BPM @ 4000#, ISIP 1135#, FG .60, TREAT STG 5 W/ 32365# SAND W/ SLK WTR. TOT CL FL 919 BBLS. ISIP 2546#, NPI 1411#, FG .80

STG 6: P/U 3 3/8" PERF GUNS & 4 1/2" CBP & RIH. SET CBP @ 6810', P/U SHOOT 20 HOLES F/ 6775' - 80', P/U SHOOT 8 HOLES F/ 6648' - 50', P/U SHOOT 12 HOLES F/ 6653' - 56'. POOH, BRK DWN PERF'S @ 2304#, EST INJ RT @ 49.5 BPM @ 3660#, ISIP 1098#, FG .60, TREAT STG 6 W/ 56,570# SAND W/ SLK WTR. TOT CL FL 1530 BBLS. ISIP 2472#, NPI 1374#, FG .81

STG 7: P/U 3 1/8" HSC PERF GUNS & 4 1/2" CBP & RIH. SET CBP @ 6381', P/U SHOOT 36 HOLES F/ 6342' - 51', POOH, BRK DWN PERF'S @ 2062#, EST INJ RT @ 40.4 BPM @ 3150#, ISIP 1861#, FG .73, TREAT STG 7 W/ 20,425# SAND W/ SLK WTR. TOT CL FL 563 BBLS. ISIP 2044#, NPI 183#, FG .76

STG 8: P/U 3 3/8" PERF GUNS & 4 1/2" CBP & RIH. SET CBP @ 5649', P/U SHOOT 20 HOLES F/ 5614' - 19, P/U SHOOT 12 HOLES F/ 5420' - 24' (3 SPF), P/U SHOOT 9 HOLES F/ 5350' - 53' (3 SPF). POOH. BRK DWN PERF'S @ 989#, EST INJ RT @ 50.2 BPM @ 3350#, ISIP 486#, FG .52, TREAT STG 8 W/ 56750# SAND W/ SLK WTR. TOT CL FL 1404 BBLS. ISIP 1911#, NPI 1425#, FG .78

P/U 4 1/2" CBP & RIH. SET KILL PLUG @ 5300'. POOH, ND FRAC VLV'S, NU BOPE. RDMO CUTTERS. RDMO WEATHERFORD. WINTERIZE WELL. SWI. SDFN

12/07/07 drl cbp's

Days On Completion: 3

Remarks: 7:00 A.M. HSM ROAD RIG & EQUIP F/ NBU 1022-18A TO LOC. MIRU. MAKE REPAIRS TO BOPE. PREP & TALLY 2 3/8" L-80 8RD 4.7# TBG. P/U 3 7/8" BIT, POBS & RIH W/ TBG P/U OFF TRAILER. TAG KILL PLUG @ 5300'. R/U DRL EQUIP. R/U PMP & LINES. BRK CONV CIRC & BEG TO DRL.DRL UP 1ST CBP IN 8 MIN. (0# PSI INC). WELL ON VACCUM. CONT TO PMP UNTILL CATCH CIRC. CONT TO RIH. TAG FILL @ 5619' (30' FILL). C/O TO 2ND CBP @ 5649'.DRL UP 2ND CBP IN 10 MIN. (400# PSI INC). CONT TO RIH. TAG FILL @ 6361', (20' FILL). C/O TO 3RD CBP @ 6381'. DRL UP 3RD CBP IN 9 MIN. (100# PSI INC). CONT TO RIH. TAG FILL @ 6795', (15' FILL). C/O TO 4TH CBP @ 6810'. DRL UP 4TH CBP IN 9 MIN. (200# PSI INC). CONT TO RIH. TAG FILL @ 7108', (15' FILL). C/O TO 5TH CBP @ 7123'. DRL UP 5TH CBP IN 10 MIN. (300# PSI INC). CONT TO RIH W/ 1 JT TBG. EOT @ 7155'. CIRC WELL CLEAN. DRAIN UP EQUIP. WINTERIZE W.H. SWI. SDFN.

12/08/07 Final Report

Days On Completion: 4

Remarks: 7:00 A.M. HSM 900# SICP. BLEED PSI OFF. CONT TO RIH. P/U TBG OFF TRAILER. TAG FILL @ 7870', (1530' FILL). BRK CONV CIRC & BEG TO DRL. C/O TO 6TH CBP @ 7885'. DRL UP 6TH CBP IN 8 MIN. (600# PSI INC). CONT TO RIH. TAG FILL @ 8055', (40' FILL). C/O TO 7TH CBP @ 8095'. DRL UP 7TH CBP IN 10 MIN. (400# PSI INC). CONT TO RIH. TAG 8917 25" FILL. C/O TO 8TH CBP @ 8932' DRL UP 8TH CBP '. (500# PSI INC). CONT TO RIH. TAG FILL @ 9510', 50' FILL, C/O TO PBTD @ 9560'. CIRC WELL CLEAN. R/D DRL EQUIP. POOH L/D 45 JTS ON TRAILER. LUBRICATE TBG HANGER INTO WELL. LAND TBG W/ EOT @ 8406'. ND BOPE. DROP BALL. NU WH. PMP OFF THE BIT SUB @ 2000#. RIG DWN RACK OUT EQUIP. TURN OVER TO FLOW BACK CREW.

SICP 800 FTP 50 48/64 CHOKE TBG ON LOC

TBG ON LOC 311 JTS
TBG IN WELL 266 JTS
TBG LEFT ON TRAILER 45 JTS

12/10/07 FLOWBACK REPORT: CP 1400#, TP 875#, CK 20/64", 50 BWPH, LOAD REC'D 1120 BBLS, LLTR 6758 BBLS

12/10/07 FLOWBACK REPORT: CP 2025#, TP 975#, CK 20/64", 35 BWPH, LOAD REC'D 2080 BBLS, LLTR 5798 BBLS

12/11/07 FLOWBACK REPORT: CP 2000#, TP 1075#, CK 20/64", 30 BWPH, LOAD REC'D 2850 BBLS, LLTR 5028 BBLS

12/12/07 FLOWBACK REPORT: CP 1950#, TP 1200#, CK 20/64", 20 BWPH, LOAD REC'D 3375 BBLS, LLTR 4503 BBLS

12/14/07 ON SALES: 261 MCF, 0 BC, 630 BW, TP: 1423#, CP: 2179#, 20/64 CHK, 10 HRS, LP: 480#.

Form 3160-4 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB NO. 1004-0137 Expires: November 30, 2000

Expires: Nov 5. Lease Serial No.

BUREAU OF LAND MANAGEMENT
WELL COMPLETION OR RECOMPLETION REPORT AND LOG

_			_								UTU-	<u>-02270</u>	<u>⊦-A</u>		
1a. Type of b. Type of	Well Completion	Oil V 1:	Vell 🔀 Nev	Gas	Dry Work Over	Other Deepen	P1	ug Back	Diff.	Resvr.	6. I	f Indian,	Allottee o	r Tribe N	Vame
			Other	_				-6			7. t	Jnit or C	A Agreen	ent Nam	ne and No.
2 Nome of	0										UNIT	#8910	008900	A NBU	J UNIT
2. Name of	-										8. I	ease Nar	me and W	ell No.	
KERR-N 3. Address		OIL & G	SAS ON	SHORE	<u>LP</u>		3a. Ph	one No. (inc	clude area	ı code)		1021			
1368 50	NITH 12		ST VER	NAL LIT	AH 8407	Q		•	81-702	•	ı	API Well			
							iremeni		01-702	4	4304	73743	1		
4. Location of Well (Report locations clearly and in accordance with Federal requirements) * 10. Field and Pool, or Exploratory At surface NE/NE 489'FNL, 599'FEL NATURAL BUTTES											ory				
													R., M., or		
At top prod	l. interval re	ported be	low											SEC. 18	8, T10S, R21
A	.41.											•	or Parish		13. State
At total der 14. Date S			15	Date T.D. R	anahad		16 De	te Complete	d		UINT		ns (DF, RI	VD DT	UTAH
	•				caciicu			D & A		ly to Prod.			15 (Dr, K	XD, K1,	GL).
09/18/07	'		10/	17/07			12/13		_	•	5086	GL			
18. Total I	TV	/D	9635'		lug Back T.I	TVD	9560	ı		20. Depth	Bridge	Plug Set:	: MD TVD		
21. Type E	lectric & O	ther Mech	nanical Log	s Run (Sub	mit copy of e	each)				well cored			Yes (Sub	mit copy	y)
		_			_					DST run?			Yes (Sub		
CBL-CC	L-GR ,	SDI	\mathcal{N}	<u>. ACT</u>	R				Dire	ctional Sur	vey?	No	Yes ((Submit	copy)
23. Casing	and Liner I	Record (F	Report all s	trings set ir	well)										
Hole Size	Size/Grade	Wt. (#/	(ft.) T	op (MD)	Bottom (N	(D) Stage Ce	menter	No. of		Slurry V	ol.	Cement	Ton*	Amo	ount Pulled
		_			`	Dep	th	Type of		(BBL)			Тор		/unt i unou
20"	14"	36.7			40'			28	_						
12 1/4"		32.3#		70	2160			850							
7 7/8"	4 1/2"	11.6	#		9635			1585	SX						
24. Tubing	Record	<u> </u>			<u> </u>			<u> </u>			<u> </u>				
Size	Depth Se	et (MD)	Dacker D	epth (MD)	Size	Depth Se	+ (MD)	Packer De	nth (MD)	Siz	· A	Dont	h Set (MD) Bas	Jean Cat (MID)
2 3/8"	840	```	1 acker D	cpui (MID)	3126	Depui se	i (IVID)	racket De	pm (wit)	312		1 Бери	T Set (MIT) Fac	ker Set (MD)
	- 010					·			_	 		 			
25. Produc	ing Interval	<u> </u>	<u> </u>			26. Perfo	ration R	Record	_						
	Formation			Тор	Bottom		forated		_	Size	No.	Holes	T	Perf. S	tatus
A) '	WASATO			5350'	7093		350'-7			0.36		57	1	OPE	
	ESAVE			7743'	9321		743'-9			0.36		64	-	OPE	
C)					102.	- 			_		 -				
D)	<u> </u>				 				_	***					····
	racture, Tre	eatment, C	ement Squ	ieeze, Etc.							1	T	REC	FIVE	<u>-</u> 17
	Depth Inter			•				Amount and	d type of l	Material				-IVL	- L/- j
	5350'-70		PM	P 4416 E	BLS SLI	CK H2O &	166.11	0# 30/5	0 SD				IAN	1 5 20	102 4
	7743'-93			_		CK H2O & :							<u> </u>	ناڪ لي ا	1
	***							•				DIV (OF OIL	GAS &	MINING
			_												
28. Produc	tion - Interv	al A	•	-											
		Hours	Test	Oil		Water	Oil Grav	· .	Gas		Producti	on Method	đ		
Produced	Date	Tested	Production	BBL		BBL	Corr. Al	PI [Gravity		ļ	EL 01	440 ED	~	,—
12/13/07 Choke	12/20/07		2417-	0	1,951	280	07.0	7.	777-11 C4-4			FLO	WS FR	<u>OM W</u>	<u>ELL</u>
	Tbg. Press. Flwg. 1010#	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Oil Grav	•	Well Status	ł				•	
	SI	1431#		0	1951	280		-		PF	RODU	CING	GAS W	/ELL	
28a. Produ	ction - Inter		· · ·												
Date First	Test	Hours	Test	Oil	Gas	Water	Oil Grav	- 1	Gas		Producti	on Method	d		·
	Date	Tested	Production	BBL		BBL	Corr. Al	PI	Gravity			E1 61	A/O ==	014 141	· ·
	12/20/07	24	24 17-	0	1951	280	Oil Grav	<u></u>	Wall C4-4-		<u> </u>	FLO\	WS FR	OM W	ELL
Choke Size	Tbg. Press. Flwg. 1010#	Csg. Press.	24 Hr. Rate	Oil BBL	1 1	Water BBL	Corr. Al		Well Status	•					
	SI	1431#		0	1951	280				PF	RODU	CING	GAS W	/ELL	

						<u>-</u>	# 					
	duction - Inte											
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method			
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status				
28c. Pro	duction - Inte	rval D	1	<u> </u>	t							
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method			
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status				
SOLD												
30. Sum	mary of Poro	us Zones (I	nclude Aqui	ifers):				31. Formation	on (Log) Markers			
tests							d all drill-stem shut-in pressures					
Fo	rmation	Тор	Bottom		Descrip	tions, Conten	ts, etc.		Name	Top Meas. Depth		
	TCH VERDE	4527' 7516'	7516'	ocedure):								
<i>32.</i> Aud	nional roma	as (morado)	Property Pr									
	le enclosed a							<u></u>				
	Electrical/Med Sundry Notice					Geologic Re Core Analysi		ST Report ther:	4. Directional Survey			
36. I her	eby certify th	at the forego	oing and att	ached inforn	nation is com	plete and corr	rect as determined t	from all available	records (see attached ins	structions)*		
Nam	e (please prin	sHEI	LA UPCI	HEGO			Title _	SENIOR	LAND ADMIN SP	ECIALIST		
Sign	ature	M	M	1111	MY	10	Date	01/11/08				
Title 18	U.S.C. Section	1001 and	Γitle 43 U.S.	.C. Section 1	212. malee it a	a crime for any	v person knowingly	and willfully to m	nake to any department or	agency of the United		

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.